

**FAR WESTERN UNIVERSITY**

**Faculty of Management**

**Bachelor of Business Studies (BBS)**

**First Year**



**Syllabus**

**2075**

***Bheemdattnagar, Kanchanpur***

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **English Grammar and Composition**

Total Marks: 100

Course Code: **MGMT 311**

Pass Marks: 45

Nature of course: Theory

Time per period: 1 hour

Year: First

Total periods: 120

Level: BBS

### 1. Course Introduction

This course is designed to develop communicative competency of the students who are in the BBS program. The course consists of five units. The first unit deals with the reading skills in which the students will be exposed to the variety of reading texts. The second unit introduces the students to the process writing skills. The third unit is aimed at developing their grammatical competence by engaging them in contextual grammatical exercises. Unit four offers them the repertoire of academic vocabulary and finally the last unit prepares them for business communication both in speech and writing.

### 2. General Objectives:

The general objectives of this course are as follows:

- a) To develop general English language proficiency among the students.
- b) To acquaint the students with the basic grammar which they require in their academic writing.
- c) To make the students familiar with the academic vocabulary.
- d) To expose the students to the array of business communication skills so that they can communicate effectively in business setting.

### 3. Contents in Detail:

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• Preview text using a variety of strategies</li><li>• Read for main ideas</li><li>• Read for details</li><li>• Scan text to find specific information</li><li>• Make prediction about texts</li></ul>	<b>Unit One. Reading (30 LH)</b> 1.1. Prediction in reading 1.2. Skimming skills 1.3. Scanning skills 1.4. Detail reading skills
<ul style="list-style-type: none"><li>• Write paragraphs of different genres</li><li>• Plan, write, revise, edit and rewrite</li><li>• Make outline for writing</li><li>• Write a summary</li><li>• Write personal response to the texts</li><li>• Write letter to the editor</li><li>• Write essays</li></ul>	<b>Unit Two. Writing (30 LH)</b> 2.1. Paragraph writing 2.2. Process writing 2.3. Summary writing 2.4. Writing letters 2.5. Essay writing

<ul style="list-style-type: none"> <li>• Construct English sentences using appropriate tenses.</li> <li>• Supply modal verbs in proper situations.</li> <li>• Use contextually appropriate pronouns, noun phrases, prepositions, adjectives and adverbs.</li> <li>• Use verb structures correctly.</li> <li>• Form words.</li> <li>• Use conditionals, clauses, questions and indirect speech appropriately in the contexts.</li> <li>• Speak and write grammatically correct and appropriate sentences.</li> </ul>	<p><b>Unit Three. Grammar (30 LH)</b></p> <p>3.1. Tenses</p> <p>3.2. Modals</p> <p>3.3. Determiners pronouns and noun phrases</p> <p>3.4. Prepositions, adjectives and adverbs</p> <p>3.5. Verb structures</p> <p>3.6. Word formation</p> <p>3.7. Conditionals, clauses, questions, indirect speech</p> <p>3.8. Sentences and varieties of English</p>
<ul style="list-style-type: none"> <li>• Use the academic vocabulary in a given discourse.</li> <li>• Apply appropriate strategies to enrich their academic vocabulary.</li> </ul>	<p><b>Unit Four: Academic Vocabulary (30 H)</b></p> <p>4.1. Academic vocabulary</p> <p>4.2. Word combinations</p> <p>4.3. Vocabulary used in academic institutions</p> <p>4.4. Vocabulary in the academic discussions</p> <p>4.5. Vocabulary of academic functions</p> <p>4.6. Reading and vocabulary</p> <p>4.7. Reference vocabulary</p>
<ul style="list-style-type: none"> <li>• Exchanging contact details</li> <li>• Engage in conversation and end conversations politely</li> <li>• Thank and respond to thanks in business setting</li> <li>• Reassure, sympathize and apologize</li> <li>• Respond to invitations and talk about social plans</li> <li>• Be diplomatic in business conversation</li> <li>• Deal business on the phone</li> <li>• Talk about news, films, TV and books</li> <li>• Entertain people in business settings and talk about the time off</li> </ul>	<p><b>Unit Five. Language of Business (30 LH)</b></p> <p>5.1. Exchanging contact details</p> <p>5.2. Exiting a conversation</p> <p>5.3. Catching up with colleagues</p> <p>5.4. Thanking and responding</p> <p>5.5. Reassuring and sympathizing</p> <p>5.6. Responding to spontaneous invitation</p> <p>5.7. Talking about social plans</p> <p>5.8. Apologizing and responding</p> <p>5.9. Making and responding quick requests</p> <p>5.10. Avoiding saying ‘no’</p> <p>5.11. Dealing with situations on the phone</p> <p>5.12. Being negative diplomatically</p> <p>5.13. Talking about news at work</p> <p>5.14. Talking about films, TV and books</p> <p>5.15. Making people feel relaxed</p> <p>5.16 Talking about taking time off</p>

#### **4. Methodology and Techniques**

- Class presentation
- Discussion
- Group work/pair work
- Self-study

#### **5. Evaluation Scheme**

**Written Exam – 100%**

#### **References**

- a) Gramer, M.F. and Ward, C. S. (2011). *Q: Skills for Success (Reading and Writing) – 3*. New York. Oxford University Press (Unit I and II).
- b) Lloyd, M. and Day, J. (2011). *Active Grammar, Level 3*. Cambridge. Cambridge University Press (Unit III).
- c) McCarthy, M. & O’Dell, F. (2009). *Academic vocabulary in use*. Delhi: Cambridge University Press. (Units IV)
- d) Baade, K., Duckworth, M., Grant, D., Holloway, C., Hudson, J. Hughes, J., and Turner, R. (2008). *Business Result (Upper-intermediate Student’s Book)*. Oxford: Oxford University Press (Unit V)

#### **Dictionary:**

1. Hornby. A.S. (2010). *Eighth Edition. Oxford Advanced Learner’s Dictionary*. Oxford: Oxford University Press.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Business Economics**

Course No.: **MGMT 312**

Nature of the Course: Theory

Year: First

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per Period: 1 Hour

Total Periods: 120

### 1. Course Description

This course is intended to provide a foundation in economics. The course is intensive and introduces students to microeconomic and macroeconomic theories and application as they pertain to the business decisions. The course is divided into two broad parts—Microeconomics and Macroeconomics. The course incorporates twenty two units. The first unit deals with the introductory part of microeconomics. The second unit concerns with demand and supply analyses. Likewise, the third unit deals with consumer behaviour. The fourth unit deals with production theory. The fifth unit discusses the basic concepts of costs and revenues. The sixth unit analyses market structure. The seventh unit deals with some basic theories on the determination of factor pricing. The eighth unit deals with the introductory part of macroeconomics. The ninth unit concerns with the circular flow of income and expenditure in an economy. Likewise, the tenth unit deals with the various concepts of national income and its measurement. The eleventh unit deals with unemployment and inflation. The twelfth unit discusses the basic concepts of the classical theory of employment. The thirteenth unit examines the Principle of effective demand. Likewise, the fourteenth unit analyses consumption and saving functions. The fifteenth unit concerns with investment function. The sixteenth unit discusses the goods market equilibrium. The seventeenth unit concerns with the concept of multiplier. The eighteenth unit deals with money market equilibrium. The nineteenth unit deals with general equilibrium of product and money markets. The twentieth unit concerns with macroeconomic equilibrium. Likewise, the twenty-first unit deals with the business cycles. Finally, the twenty-second unit discusses with fiscal and monetary policies.

All topics are discussed with emphasis on real-world application. Case studies and current economic trends and developments are examined in Nepalese and global perspectives.

### 2. Course Objectives

The general objectives of the course are as follows:

- To acquaint the students with basic concepts of microeconomics.
- To enable the students to apply the concept of elasticity in demand and supply analyses.
- To acquaint the students with consumer behaviour regarding to ordinal and cardinal approaches.
- To discuss production functions.
- To enable the students to compare and analyze the various concepts of costs and revenues.
- To enable the students to familiarize with different types of markets.
- To introduce the students to factor pricing.

- To acquaint the students with basic macroeconomic issues and macroeconomic model building.
- To help the students to analyse the circular flow of income and expenditure in two-sector, three-sector and four-sector economies.
- To enable the students to discuss on various concepts of national income and its measurement.
- To enable the students to discuss on the concept of unemployment, and measurement of inflation.
- To introduce students to the Classical theory of employment.
- To acquaint the students with the Principle of effective demand.
- To help the students to analyse consumption and saving functions.
- To enable the students to explain and analyse investment function.
- To acquaint the students with ‘Goods market equilibrium’ in open and closed economies.
- To help the students to discuss on the concepts of multipliers, and their applications.
- To enable the students with the equilibrium of money market highlighting the Loanable fund theory and the Liquidity preference theory.
- To facilitate the students to the process of general equilibrium of goods and money markets with IS and LM functions.
- To guide the students to analyse macroeconomic equilibrium with aggregate demand and aggregate supply functions.
- To introduce the students to the phases of business cycles; and to the Great Depression of 1930s and Financial Crisis of 2008.
- To acquaint the students with objectives and tools of fiscal and monetary policies in Nepalese context.

### 3. Specific Objectives and Contents

#### Part A: Microeconomics

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Discuss basic microeconomic issues.</li> <li>• Explain the differences of microeconomics and macroeconomics.</li> <li>• Describe the concept of opportunity cost, normative economics and positive economics.</li> <li>• Discuss the basic concepts of economic models.</li> </ul>	<p><b>Unit I: Basic Concepts on Microeconomics (7 LH)</b></p> <ul style="list-style-type: none"> <li>1.1 Meaning and Definition of Microeconomics</li> <li>1.2 Basic Microeconomic Issues: Scarcity, Efficiency and Alternative Uses of Resources</li> <li>1.3 Differences Between Microeconomics and Macroeconomics</li> <li>1.4 Opportunity Cost, Normative Economics and Positive Economics</li> <li>1.5 Economic Models: Meaning and Need of Economic Models</li> </ul>
<ul style="list-style-type: none"> <li>• Discuss the concepts of demand and supply.</li> <li>• Plot demand and supply curves; and clarify how market moves to an equilibrium position.</li> <li>• Examine the determinants of demand and supply.</li> </ul>	<p><b>Unit II: Demand and Supply Analyses (8 LH)</b></p> <ul style="list-style-type: none"> <li>2.1 Demand <ul style="list-style-type: none"> <li>2.1.1 Meaning of Demand and Quantity Demanded</li> <li>2.1.2 Individual Demand Curve and Market Demand Curve</li> <li>2.1.3 Determinants of Demand</li> <li>2.1.4 Movements along Demand Curve and Shift of</li> </ul> </li> </ul>

<ul style="list-style-type: none"> <li>Analyze the movement along and shift of demand curve; and movement along and shift of supply curve.</li> <li>Analyze the implications of government price controls.</li> <li>Discuss the elasticity of demand and supply.</li> <li>Explain and analyze the methods for measurement of price elasticity of demand.</li> <li>Appreciate the use of elasticity in business.</li> </ul>	<p style="text-align: center;">Demand Curve</p> <p>2.2 Supply</p> <p>2.2.1 Meaning of Supply and Quantity Supplied</p> <p>2.2.2 Individual Supply Curve and Market Supply Curve</p> <p>2.2.3 Determinants of Supply</p> <p>2.2.4 Movements along Supply Curve and Shift of Supply Curve</p> <p>2.3 Equilibrium in Market: Meaning, Excess Demand, Excess Supply, Ceiling Price, and Floor Price</p> <p>2.4 Elasticity of Demand</p> <p>2.4.1 Meaning and Types: Price Elasticity, Income Elasticity, and Cross Elasticity</p> <p>2.4.2 Measurement of Price Elasticity of Demand: Total Outlay Method, Point Elasticity, and Arc Elasticity</p> <p>2.5 Elasticity of supply: Basic concepts</p> <p>2.6 Use of Elasticity in Business</p>
<ul style="list-style-type: none"> <li>Explain diminishing marginal utility.</li> <li>Compare and contrast cardinal and ordinal analyses of utility.</li> <li>Illustrate and explain the properties of indifference curve with diagrams.</li> <li>Explain marginal rate of substitution.</li> <li>Explain budget constraint.</li> <li>Discuss consumer's equilibrium.</li> <li>Illustrate and analyze price effect, income effect, and substitution effect with diagrams.</li> <li>Derive individual demand curve using ordinal approach.</li> </ul>	<p><b>Unit III: Theory of Consumer Choice (10 LH)</b></p> <p>3.1 Concepts of Utility, the Law of Diminishing Marginal Utility</p> <p>3.2 Cardinal Analysis Vs. Ordinal Analysis</p> <p>3.3 Ordinal Analysis</p> <p>3.3.1 Indifference Curve: Properties, Marginal Rate of Substitution (MRS)</p> <p>3.3.2 Concept of Budget Line</p> <p>3.3.3 Consumer's Equilibrium: Interaction of Indifference curve and Budget Line, Price Effect, Income Effect, and Substitution Effect</p> <p>3.3.4 Derivation of Demand Curve using Ordinal Analysis</p>
<ul style="list-style-type: none"> <li>Explain and show the relationship of total, average, and marginal products.</li> <li>Analyze the concepts of production function.</li> <li>Discuss the concept of isoquants, isoquants lines, and expansion path.</li> <li>Explain the meaning of marginal rate of technical substitution (MRTS) and compare it with MRS.</li> <li>Explain and analyze optimal input</li> </ul>	<p><b>Unit IV: Production Theory (8 LH)</b></p> <p>4.1 Concepts of Production Function</p> <p>4.2 Production Functions with One variable Input</p> <p>4.2.1 Total, Average and Marginal Product</p> <p>4.2.2 Law of Variable Proportions</p> <p>4.3 Production Functions with Two Variable Inputs</p> <p>4.3.1 Isoquants</p> <p>4.3.2 Marginal Rate of Technical Substitution (MRTS)</p> <p>4.3.3 Optimal Combination of Inputs</p> <p>4.3.3.1 isoquants Lines and Expansion Path</p> <p>4.3.3.2 Optimal Input Combination</p> <p>4.3.4 Laws of Returns to Scale</p>

<p>combination.</p> <ul style="list-style-type: none"> <li>• Discuss the laws of returns to scale.</li> </ul>	
<ul style="list-style-type: none"> <li>• Explain various concepts of costs.</li> <li>• Derive total, average and marginal cost curves in short-run and long-run.</li> <li>• Derive total, average, and marginal revenue curves under perfect and imperfect competitive markets.</li> <li>• Discuss the conditions for profit maximization by firms.</li> </ul>	<p><b>Unit V: Theory of Costs and Revenues (8 LH)</b></p> <p>5.1 Concepts and Types of Costs</p> <p>5.1.1 Fixed and Variable Costs</p> <p>5.1.2 Accounting and Economic Costs</p> <p>5.1.3 Sunk Costs</p> <p>5.1.4 Short-run Total, Average, and Marginal Costs: Meaning, Schedules and Curves</p> <p>5.1.5 Long-run Total, Average, and Marginal Costs: Meaning, Schedules and Curves</p> <p>5.2 Concepts of Revenues</p> <p>Total, Average, and Marginal Revenues in Perfect and Imperfect Competitive Markets: Meaning, Schedules and Curves</p> <p>5.3 Profit Maximization</p>
<ul style="list-style-type: none"> <li>• Enable the learners to discuss the features of various types of markets; and to identify similarities and dissimilarities.</li> <li>• Depict the price and output determination under various types of markets in short-run and long-run; and identify similarities and dissimilarities.</li> <li>• Explore the sources of monopoly.</li> <li>• Assess social costs of monopoly.</li> </ul>	<p><b>Unit VI: Market Structures and Product Pricing (9 LH)</b></p> <p>6.1 Concepts of Market</p> <p>6.2 Perfect Competition</p> <p>6.2.1 Features</p> <p>6.2.2 Price and Output Determination in Short-run</p> <p>6.2.3 Price and Output Determination in Long-run</p> <p>6.3 Monopoly</p> <p>6.3.1 Features</p> <p>6.3.2 Price and Output Determination in Short-run</p> <p>6.3.3 Price and Output Determination in Long-run</p> <p>6.3.4 Sources of Monopoly</p> <p>6.3.5 Social Costs of Monopoly</p> <p>6.4 Monopolistic Competition</p> <p>6.4.1 Features</p> <p>6.4.2 Price and Output Determination in Short-run</p> <p>6.4.3 Price and Output Determination in Long-run</p> <p>6.5 Oligopolistic Competition: Features</p>
<ul style="list-style-type: none"> <li>• Explain the meaning of rent, wages, interest and profit.</li> <li>• Explain the Ricardian theory of rent.</li> <li>• Analyze wages fund theory.</li> <li>• Discuss the liquidity preference theory of interest.</li> <li>• Assess the uncertainty bearing theory of profit.</li> </ul>	<p><b>Unit VII: Theory of factor Pricing (4 LH)</b></p> <p>6.1 Rent</p> <p>6.1.1 Meaning</p> <p>6.1.2 The Ricardian Theory of Rent</p> <p>6.2 Wages</p> <p>6.2.1 Meaning</p> <p>6.2.2 The Wages Fund Theory</p> <p>6.3 Interest</p> <p>6.3.1 Meaning</p> <p>6.3.2 The Liquidity Preference Theory of Interest</p> <p>6.4 Profit</p> <p>6.4.1 Meaning</p> <p>6.4.2 The Uncertainty Bearing Theory of Profit</p>



## Part B: Macroeconomics

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Discuss basic macroeconomic issues.</li> <li>• Analyze the interdependence of microeconomics and macroeconomics.</li> <li>• Discuss macroeconomic model building.</li> </ul>	<p><b>Unit VIII: Basic Concepts of Macroeconomics (4 LH)</b></p> <ul style="list-style-type: none"> <li>1.1 Meaning and Definition of Macroeconomics</li> <li>1.2 Basic Macroeconomic Issues: Issues of Economic Growth, Issues of Business Cycle, Issues of Inflation, Issues of Unemployment and Poverty</li> <li>1.3 Interdependence of Microeconomics and Macroeconomics</li> <li>1.4 Macroeconomic Variables and Model Building</li> </ul>
<ul style="list-style-type: none"> <li>• Discuss the circular flow of income and expenditure in closed and open economies.</li> </ul>	<p><b>Unit IX: Circular Flow of Income and expenditure (3 LH)</b></p> <ul style="list-style-type: none"> <li>2.1 Circular Flow of Income and Expenditure in Closed Economy               <ul style="list-style-type: none"> <li>2.1.1 Circular Flow of Income and Expenditure in Two-sector Economy</li> <li>2.1.2 Circular Flow of Income and Expenditure in Three-sector Economy</li> </ul> </li> <li>2.2 Circular Flow of Income and Expenditure in Open Economy</li> </ul>
<ul style="list-style-type: none"> <li>• Compare and contrast various concepts of national income.</li> <li>• Analyze different methods of measurement of national income.</li> <li>• Explore and appreciate the difficulties in the measurement of national income.</li> <li>• Highlight the basic features of underground economy.</li> </ul>	<p><b>Unit X: National Income and Its Measurement (6 LH)</b></p> <ul style="list-style-type: none"> <li>3.1 Meaning and Definitions of National Income</li> <li>3.2 Various Notions of National Income               <ul style="list-style-type: none"> <li>3.2.1 Gross Domestic Product (GDP): Nominal GDP and Real GDP</li> <li>3.2.2 Gross Net Product (GNP)</li> <li>3.2.3 Net National Product (NNP)</li> <li>3.2.4 National Income (NI)/ NNP at Factor Cost</li> <li>3.2.5 Personal Income (PI)</li> <li>3.2.6 Disposable Income (DI)</li> <li>3.2.7 Per Capita Income (PCI)</li> <li>3.2.8 Computation of National Income: Expenditure Method, Income Method and Product Method</li> </ul> </li> <li>3.3 Difficulties in the Measurement of National Income</li> <li>3.4 Meaning of Underground Economy</li> </ul>
<ul style="list-style-type: none"> <li>• Discuss different types of unemployment.</li> <li>• Discuss the measurement of rate of inflation using CPI, WPI and GDP Deflator.</li> <li>• Explain the relationship between inflation-rate and unemployment in short-run.</li> </ul>	<p><b>Unit XI: Unemployment and Inflation (5 LH)</b></p> <ul style="list-style-type: none"> <li>4.1 Unemployment               <ul style="list-style-type: none"> <li>4.1.1 Types of Unemployment: Frictional Unemployment, Structural Unemployment, Cyclical Unemployment, Natural Rate of Unemployment</li> </ul> </li> </ul>

	<p>4.1.2 Measurement of the Unemployment Rate and the Labor-force Participation Rate</p> <p>4.2 Inflation</p> <p>4.2.1 Meaning and Definition</p> <p>4.2.2 Measurement of Inflation- CPI, WPI and GDP Deflator</p> <p>4.3 Short-run Phillips Curve</p>
<ul style="list-style-type: none"> <li>• Discuss and assess Say's Law.</li> </ul>	<p><b>Unit XII: Classical Theory of Employment (3 LH)</b></p> <p>5.1 Classical Theory of Employment</p> <p>5.2 Say's Law and its criticisms</p>
<ul style="list-style-type: none"> <li>• Enable the learners to discuss aggregate supply price and aggregate demand price.</li> <li>• Explain the determination of effective demand.</li> </ul>	<p><b>Unit XIII: Principle of Effective Demand (3 LH)</b></p> <p>6.1 Aggregate Supply Price</p> <p>6.2 Aggregate Demand Price</p> <p>6.3 Determination of Effective Demand</p>
<ul style="list-style-type: none"> <li>• Analyze and illustrate the concept of consumption function, APC and MPC.</li> <li>• Appreciate the Keynes' Psychological Law of Consumption.</li> <li>• Derive saving function from consumption function</li> <li>• Discuss the relationships between/among APC, MPC, APS and MPS.</li> </ul>	<p><b>Unit XIV: Consumption and Saving Functions (4 LH)</b></p> <p>7.1 Consumption Function</p> <p>7.1.1 Meaning of Consumption Function</p> <p>7.1.2 Average Propensity to Consume (APC) and Marginal Propensity to Consume (MPC)</p> <p>7.1.3 Psychological law of Consumption</p> <p>7.1.4 Determinants of Consumption Function</p> <p>7.2 Saving Function</p> <p>7.2.1 Derivation of Saving Function from Consumption Function</p> <p>7.2.2 Average Propensity to Save (APS) and Marginal Propensity to Save (MPS)</p> <p>7.2.3 Paradox of Thrift</p>
<ul style="list-style-type: none"> <li>• Explain the meaning and types of investment.</li> <li>• Analyze the Accelerator Theory of Investment.</li> <li>• Explore the determinants of investment.</li> </ul>	<p><b>Unit XV: Investment Function (4 LH)</b></p> <p>8.1 Investment: Meaning and Types</p> <p>8.2 The Accelerator Theory of Investment</p> <p>8.3 Determinants of Investment</p> <p>8.4 Relation between marginal efficiency of Capital (MEC) and Marginal Efficiency of Investment (MEI)</p>
<ul style="list-style-type: none"> <li>• Enable the learners to determine the equilibrium level of income in two-sector economy using AD-AS Approach.</li> <li>• Discuss the determination of the equilibrium level of income in three-sector economy using AD-AS approach.</li> </ul>	<p><b>Unit XVI: Goods Market Equilibrium (4 LH)</b></p> <p>9.1 Goods Market Equilibrium in Closed Economy</p> <p>9.1.1 Determination of Equilibrium level of Income in Two-sector Economy: AD-AS Approach</p> <p>9.1.2 Determination of Equilibrium level of Income in Three-sector Economy</p> <p>9.2 Goods Market Equilibrium in Open Economy: Determination of Equilibrium level of Income in Four-sector Economy</p>

<ul style="list-style-type: none"> <li>Analyze the determination of the equilibrium level of income in four-sector economy using AD-AS approach.</li> </ul>	
<ul style="list-style-type: none"> <li>Discuss different types of multipliers.</li> <li>Explain how multiplier process works.</li> <li>Appreciate the expansionary effect of government expenditure over Contractionary effect of same amount of tax.</li> </ul>	<p><b>Unit XVII: Multipliers (5 LH)</b></p> <p>10.1 Different types of Multiplier: Investment Multiplier, Government Expenditure Multiplier, Tax Multiplier, Export Multiplier, Import Multiplier</p> <p>10.2 Multiplier Process</p> <p>10.2 Comparison of Expansionary Effect of Government Expenditure Multiplier and Contractionary Effect of Tax Multiplier</p>
<ul style="list-style-type: none"> <li>Compare goods market and money market.</li> <li>Explain the Loanable Fund Theory of Interest.</li> <li>Analyze the Liquidity Preference Theory of interest.</li> </ul>	<p><b>Unit XVIII: Money Market Equilibrium (3 LH)</b></p> <p>11.1 Meaning of Money Market</p> <p>11.2 Loanable Fund Theory of Interest</p> <p>11.3 Liquidity Preference Theory of Interest</p>
<ul style="list-style-type: none"> <li>Derive IS curve.</li> <li>Derive LM curve.</li> <li>Explain the general equilibrium of product and money markets.</li> </ul>	<p><b>Unit XIX: General Equilibrium of Product and Money Markets (5 LH)</b></p> <p>12.1 Derivation of IS curve</p> <p>13.2 Derivation of LM curve</p> <p>13.3 General Equilibrium of Product and Money Markets</p>
<ul style="list-style-type: none"> <li>Derive AD curve.</li> <li>Derive AS curve.</li> <li>Discuss macroeconomic equilibrium.</li> </ul>	<p><b>Unit XX: Macroeconomic Equilibrium (3 LH)</b></p> <p>13.1 Derivation of Aggregate Demand Curve</p> <p>13.2 Derivation of Aggregate Supply Curve</p> <p>13.3 Macroeconomic Equilibrium with AD and AS Curves</p>
<ul style="list-style-type: none"> <li>Discuss the phases of business cycles.</li> <li>Discuss and analyze the origin and impacts of the Great Depression of 1930s; and comparison with the Financial Crisis of 2008.</li> </ul>	<p><b>Unit XXI: Business Cycles (4 LH)</b></p> <p>14.1 Phases of Business Cycle</p> <p>14.2 Great Depression of 1930s</p> <p>14.3 Financial Crisis of 2008</p>
<ul style="list-style-type: none"> <li>Discuss the meaning, objectives and tools of fiscal and monetary policies.</li> <li>Review the current fiscal and monetary policies in Nepal.</li> </ul>	<p><b>Unit XXII: Fiscal and Monetary Policies (4 )</b></p> <p>15.1 Fiscal Policies: Meaning, Objectives and Instruments</p> <p>15.2 Monetary Policies: Meaning, Objectives and Instruments</p> <p>15.3 Review of Current Fiscal and Monetary Policies in Nepal</p>

*Note: (i) The figures in the parentheses indicate the approximate periods for the respective units.*

### **Prescribed Books**

- Mankiw, N.G. (2011). *Principles of Microeconomics*. Sixth Edition, USA: South-Western College publications.
- Mankiw, N.G. (2011). *Principles of Macroeconomics*. Sixth Edition, USA: South-Western College publications.

### **References**

- Bueda & Wyplosz (2009). *Macroeconomics: A European Text*, Fifth Edition, New York: Oxford University Press.
- Gillespie, A. (2010). *Business Economics*. New York: Oxford University Press.
- Lipsey & Chrystal (2011). *Economics, Twelfth Edition*, New York: Oxford University Press.
- Pindyck, R.S.; Rubinfeld D.L. & Mehata, P.L.(2009). *Microeconomics*. Delhi: Pearson.
- Shapiro, E. (2010). *Macroeconomic Analysis*, Fifth Edition, New Delhi: Galgotia Publication.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Business Statistics & Mathematics**

Course Code. : **MGMT 313**

Nature of the Course: Theory/Practical

Year: First

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per Period: 1 hour

Total Periods: 120

### 1. Course Description

This course deals with the application of statistical tools in business decision making and covers data collection, tabulation and presentation, techniques of summarizing and describing numerical data, basic concepts of probability, correlation & regression, time series & forecasting. Moreover, it provides knowledge of system of linear equations, matrices, determinant and their applications in the business and economics.

### 2. Course Objectives

The general objectives of the course are as follows:

- To familiarize the students with descriptive statistical tools.
- To familiarize the students with the concept of probability, establishment of relationship between variables and forecasting.
- To provide students with a sound understanding of matrix algebra for business decisions.
- To provide the sound knowledge of Excel program to handle various problems of Statistics.

### 3. Specific Objectives and Contents

Unit objectives	Contents
After completing this unit, students will be able to: <ul style="list-style-type: none"><li>• Understand applications of statistics in business</li><li>• Familiar with the various terminologies of Statistics</li><li>• Understand source and types of data used in business</li><li>• Distinguish between quantitative and categorical variables</li><li>• Familiar with measurement scales</li><li>• Familiar with Excel and Excel graphical &amp; statistical functions</li></ul>	<b>Unit 1: Introduction and Data Collection (11 hrs.)</b> <ul style="list-style-type: none"><li>1.1 An Overview of Statistics</li><li>1.2 Statistics for Managers</li><li>1.3 Basic Vocabulary of Statistics</li><li>1.4 Data Collection</li><li>1.5 Types of Variables</li><li>1.6 Measurement of Scale</li><li>1.7 Microsoft Excel Worksheets</li></ul>

<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Develop tables and charts for categorical data</li> <li>• Develop tables and charts for numerical data</li> <li>• Construct a frequency distribution and a histogram</li> <li>• Construct relative and cumulative frequency distributions</li> <li>• Construct a stem-and-leaf display to represent data</li> <li>• Visually represent data by using graphs and charts</li> <li>• Construct a scatter diagram</li> </ul>	<p><b>Unit 2: Presenting Data in Tables and Charts (15 hrs.)</b></p> <p>2.1 Tables and Charts for Categorical Data</p> <p>2.1.1 The Summary Table</p> <p>2.1.2 The Bar Chart</p> <p>2.1.3 The Pie Chart</p> <p>2.1.4 The Pareto Diagram</p> <p>2.2 Organizing Numerical Data</p> <p>2.2.1 The Ordered Array</p> <p>2.2.2 The Stem-and-Leaf Display</p> <p>2.3 Tables and Charts for Numerical Data</p> <p>2.3.1 The Frequency Distribution</p> <p>2.3.2 The Relative Frequency Distribution and the Percentage Distribution</p> <p>2.3.3 The Cumulative Distribution</p> <p>2.3.4 The Histogram</p> <p>2.3.5 The Polygon</p> <p>2.3.6 The Cumulative Frequency Curve (Ogive)</p> <p>2.4 Cross Tabulations</p> <p>2.4.1 The Contingency Table</p> <p>2.4.2 The Side-by-Side Bar Chart</p> <p>2.5 Scatter Plots and Time-Series Plots</p> <p>2.5.1 The Scatter Plot</p> <p>2.5.2 The Time-Series Plot</p> <p>2.6 Microsoft Excel Graphs</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• describe the applications and uses of central tendency, variation, and shape in numerical data</li> <li>• Identify descriptive summary measures for a population</li> <li>• construct and interpret a box-and-whisker plot and shape of the distribution</li> </ul>	<p><b>Unit 3: Numerical Descriptive Measures (18 hrs.)</b></p> <p>3.1 Measures of Central Tendency</p> <p>3.1.1 The Mean</p> <p>3.1.2 The Median</p> <p>3.1.3 The Mode</p> <p>3.1.4 Partition values( Quartiles, Deciles and Percentiles)</p> <p>3.1.5 The Geometric Mean</p> <p>3.2 Variation and Shape (Measurement of Dispersion and Shape)</p> <p>3.2.1 The Range</p> <p>3.2.2 The Interquartile Range</p> <p>3.2.3 The Variance and the Standard Deviation</p> <p>3.2.4 The Coefficient of Variation</p> <p>3.2.5 Shape</p> <p>3.2.6 Visual Explorations: Exploring Descriptive Statistics</p> <p>3.2.7 Microsoft Excel Descriptive Statistics Results</p>

	<p>3.3 Numerical Descriptive Measures for a Population</p> <p>3.3.1 The Population Mean</p> <p>3.3.2 The Population Variance and Standard Deviation</p> <p>3.4 Exploratory Data Analysis</p> <p>3.4.1 The Five-Number Summary</p> <p>3.4.2 The Box-and-Whisker Plot</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Explain the difference between primary and secondary data</li> <li>• Describe how survey research is conducted</li> <li>• Discuss the major sources of error in survey research</li> <li>• Describe the experimentation and observational approaches to research</li> <li>• Differentiate between internal and external secondary data, and identify sources for each</li> <li>• Understand the relevance of the data warehouse and data mining</li> <li>• Explain why a sample is generally more practical than a census</li> <li>• Differentiate between the probability and non-probability approaches to sampling, and understand when each approach is appropriate</li> <li>• Differentiate between sampling error and non-sampling error</li> <li>• Understand that probability samples are necessary to estimate the amount of sampling error.</li> </ul>	<p><b>Unit 4: Data Collection and Sampling Methods (15 hrs.)</b></p> <p>4.1 Introduction</p> <p>4.2 Research Basics</p> <p>4.2.1 Types of Studies</p> <p>4.2.2 The Research Process</p> <p>4.2.3 Primary versus Secondary Data</p> <p>4.3 Survey Research</p> <p>4.3.1 Types of Surveys</p> <p>4.3.2 Questionnaire Design</p> <p>4.3.3 Sampling Considerations in Survey Research</p> <p>4.3.4 Errors in Survey Research</p> <p>4.4 Experimentation and Observational Research</p> <p>4.5 Secondary Data</p> <p>4.5.1 Internal Sources</p> <p>4.5.2 External Sources</p> <p>4.5.3 Data Warehousing and Data Mining</p> <p>4.5.4 Internet Data Sources</p> <p>4.5.5 Evaluating Secondary Data</p> <p>4.6 Sampling and sampling distribution</p> <p>4.7 Types of sampling</p> <p>4.7.1 Probability Sampling</p> <p>4.7.2 Non-probability Sampling</p> <p>4.7.3 Sampling and non-sampling errors</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Understand basic probability concepts</li> <li>• Understand conditional probability</li> <li>• use Bayes' theorem to revise probabilities</li> <li>• Determine the number of combinations and the number of possible permutations of <math>n</math> objects <math>r</math> at a time.</li> <li>• Use concept of probability in business decision environment</li> </ul>	<p><b>Unit 5: Basic Probability (13 hrs.)</b></p> <p>5.1 Sets &amp; Set Operations</p> <p>5.2 Introduction to Permutation &amp; Combination</p> <p>5.3 Basic Probability Concepts</p> <p>5.3.1 Events and Sample Spaces</p> <p>5.3.2 Contingency Tables</p> <p>5.3.3 Simple (Marginal) Probability</p> <p>5.3.4 Joint Probability</p> <p>5.4 Conditional Probability</p> <p>5.4.1 Computing Conditional Probabilities</p> <p>5.4.2 Decision Trees</p> <p>5.4.3 Statistical Independence</p> <p>5.4.4 Multiplication Rules</p>

	<p>5.4.5 Marginal Probability Using the General Multiplication Rule</p> <p>5.5 Bayes' Theorem</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Identify independent and dependent variables</li> <li>• Understand types of relationships</li> <li>• Use regression analysis to predict the value of a dependent variable based on an independent variable</li> <li>• The meaning of the regression coefficients <math>b_0</math> and <math>b_1</math></li> <li>• Compute correlation coefficient</li> <li>• Use excel to identify correlation coefficient and regression equation</li> </ul>	<p><b>Unit 6: Correlation and Linear Regression (11 hrs.)</b></p> <p>6.1 Simple correlation coefficient Method of measurement of simple correlation coefficient</p> <p>6.2 Scatter Diagram method and Karl Parsons coefficient of correlation method</p> <p>6.3 Determining the Simple Linear Regression Equation</p> <p>6.3.1 Using Least-Squares Method</p> <p>6.3.2 Using of Excel</p> <p>6.4 Coefficient of Determination</p> <p>6.5 Correlation and Causation</p> <p>6.6 Determining the Multiple Linear Regression Equation using Excel</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Describe the trend, cyclical, seasonal, and irregular components of the time series model</li> <li>• Fit a linear or a polynomial trend equation to a time series</li> <li>• Smooth a time series with the centered moving average and exponential smoothing techniques</li> <li>• Determine seasonal indexes and use them to compensate for the seasonal effects in a time series</li> <li>• Use the trend extrapolation and the exponential smoothing forecast methods to estimate a future value</li> <li>• Use the mean absolute deviation (<i>MAD</i>) and mean squared error (<i>MSE</i>) criteria to compare how well fitted equations or curves fit a time series</li> <li>• Use index numbers to compare business or economic measurements from one period to the next</li> </ul>	<p><b>Unit 7: Models for Time Series and Forecasting (17 hrs.)</b></p> <p>7.1 Time Series</p> <p>7.1.1 Components of a Time Series</p> <p>7.1.2 Fitting a Linear Trend Equation</p> <p>7.1.3 Fitting a Quadratic Trend Equation</p> <p>7.2 Smoothing Techniques</p> <p>7.2.1 The Moving Average</p> <p>7.2.2 Exponential Smoothing</p> <p>7.3 Seasonal Indexes</p> <p>7.3.1 The Ratio to Moving Average Method</p> <p>7.3.2 Deseasonalizing the Time Series</p> <p>7.4 Forecasting</p> <p>7.4.1 Forecasts Using the Trend Equation</p> <p>7.4.2 Forecasting with Exponential Smoothing</p> <p>7.4.3 Seasonal Indexes in Forecasting</p> <p>7.5 Evaluating the forecast accuracy: <i>MAD</i> and <i>MSE</i></p> <p>7.6 Index Numbers</p> <p>7.6.1 Types of index number</p> <p>7.6.2 Notation and terminology</p> <p>7.6.3 Method of constructing index number</p> <p>7.6.4 Un-weighted method</p> <p>a. Simple average of price relative</p> <p>b. Simple aggregative method</p>



	<p>7.6.5 Weighted Method</p> <p>a. Laspeyre's Index number</p> <p>b. Paasches's Index number</p> <p>c. Fisher,s index number</p> <p>7.6.6 Cost of living index</p> <p>7.6.7 Method of constructing cost of living index numbers:</p> <p>a. Aggregative expenditure method</p> <p>b. Family Budget method</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Identify independent and dependent variables</li> <li>• Understand types of relationships</li> <li>• Use regression analysis to predict the value of a dependent variable based on an independent variable</li> <li>• The meaning of the regression coefficients <math>b_0</math> and <math>b_1</math></li> <li>• Compute correlation coefficient</li> <li>• Use excel to identify correlation coefficient and regression equation</li> </ul>	<p><b>Unit 8: Linear Programming (10 hrs.)</b></p> <p>8.1 Introduction</p> <p>8.2 system of linear inequalities</p> <p>8.3 Construction of LP models</p> <p>8.4 Graphical LP Solution</p> <p>8.5 Solution using LINDO program</p> <p>8.6 Special cases</p> <p>8.5.1 Unbounded Solution</p> <p>8.5.2 Infeasible Solution</p> <p>8.5.3 Alternative optima</p>
<p>After completing this unit, students will be able to:</p> <ul style="list-style-type: none"> <li>• Understand the concept of matrix</li> <li>• Apply matrix operations in business problem solving</li> <li>• Represent system of linear equations in matrix form</li> <li>• Compute the value of determinant</li> <li>• Identify inverse of a matrix</li> <li>• Solve Systems of Linear Equations by using Crammer's rule</li> </ul>	<p><b>Unit 9: Systems of Linear Equations and Matrices (10 hrs.)</b></p> <p>9.1 Basic Matrix Operations, Matrix Products</p> <p>9.2 Systems of Two Linear Equations in Two Variables</p> <p>9.3 Larger Systems of Linear Equations</p> <p>9.4 Applications of Systems of Linear Equations</p> <p>9.5 Determinant</p> <p>9.6 Matrix Inverses</p> <p>9.7 Applications of Matrices in Business and Economics</p>

### Text Book

Levine, D. M., Stephan, D. F., Krehbiel, T. C. & Berenson, M. L. (2008). *STATISTICS FOR MANAGERS USING Microsoft Excel*. United States of America: Prentice-Hall

### Reference Books

1. Weiers, R. M. (2008). *Introduction to Business Statistics*. United States of America: Thomson South-Western
2. Larson, R. & Farber, B. (2012). *ELEMENTARY STATISTICS picturing the world*. United States of America: Prentice-Hall
3. Levin, R. I., Rubin, D. S., Stinson. J.P. & Gardner, E. S. (Jr): *Quantitative Approaches to Management*, McGraw-Hill.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Financial Accounting**  
Course Code. : **MGMT 315**  
Nature of the course: Theory/practical  
Level: BBS  
Year: First

Full Marks: 100  
Pass Marks: 45  
Time per period 1 hour  
Total hours 120

### 1. Course Objectives

The general objectives of the course are as follows:

- To acquaint the learners with objectives and process of accounting process
- To make them understand the principles relating to accounting of various assets and liabilities
- To enable the learners to understand and prepare the various financial statements
- To enable the learners to analyze the financial statements

### 2. Specific Objectives and Contents

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• Explain the concepts of accounting</li><li>• Discuss the role and ethics of accounting profession</li><li>• Enable the learners prepare the accounting statements</li></ul>	<b>Unit I: Concept and process of accounting (20)</b> 1.1 Meaning of accounting, uses, types and principles of accounting ,ethics in accounting, users of accounting information-external and internal (5) 1.2 Introduction to double entry system, Chart of accounts, accounting equation ,Entry procedure of journal ,ledger, and preparation of trial balance(10) 1.3 Accounting cycle, adjusting entries, (3) 1.4 Cash and accrual basis of identifying revenue and expenses(2)
<ul style="list-style-type: none"><li>• Explain the types and features of financial reporting and final statements</li><li>• Discuss the different components of financial statement</li><li>• Help the learners to read and understand the financial statements</li></ul>	<b>Unit II :Type and purposes of financial statements(21)</b> 2.1 Purpose and features of financial reporting(2) 2.2 Understanding the purpose and elements of : balance sheet, income statement, statement of retained earnings(15) 2.3 Cash accounting for preparation of cash flows(2) 2.4 Reporting requirement and use of cash flow statement(2)
<ul style="list-style-type: none"><li>• Explain the meaning and accounting process of short term asset and liabilities</li><li>• Enable the learners to understand the effect of various short term assets and liabilities in the financial statements</li></ul>	<b>Unit III : Accounting for short term assets and liabilities (24)</b> 3.1 Concept and importance of working capital(3) 3.2 Accounting for cash and cash equivalents(5) 3.3 Different types of short term investments and accounting for short term investments(2) 3.4 Accounting for receivables: Notes receivable, account receivable(2) 3.5 Types of liabilities : current liabilities and contingent liability(4) 3.6 Inventory system and inventory costing methods,(5) 3.7 Calculating the cost of goods(3)
<ul style="list-style-type: none"><li>• Explain the methods of valuation of long term assets</li></ul>	<b>Unit IV Accounting for operating assets(5)</b> 4.1 Determining cost of property, plant and intangible assets 4.2 Different methods of depreciation

<ul style="list-style-type: none"> <li>• Enable learner to understand the effect of long term assets in the final statements</li> </ul>	
<ul style="list-style-type: none"> <li>• Explain the different types of liability and equity in a business firm</li> <li>• Discuss the pros and cons of different liability and equity</li> <li>• Enable the learner to understand the effect of the different liability and equity in financial statement</li> </ul>	<p><b>Unit V Long term liability and equity(20)</b></p> <p>5.1 Long term liability(6)</p> <p>5.1.1 Bonds payable, deferred tax, gratuity and pensions</p> <p>5.1.2 Reserve and provisions</p> <p>5.1.3 Accounting for issue of debentures</p> <p>5.1.4 Long term liability and statement of cash flow</p> <p>5.2 Stock holders' equity(9)</p> <p>5.2.1 different types of stock, statement of shareholders equity,</p> <p>5.2.2 Accounting for issue of new stock as well issue of bonus shares and redemption of preference share</p> <p>5.2.2 shareholders' equity and statement of cash flow</p> <p>5.3 Capital structure(5)</p> <p>5.3.1 Meaning and concept of capital structure</p> <p>5.3.2 Effect of leverage on shareholders benefit</p>
<ul style="list-style-type: none"> <li>• Explain the process of preparing financial statements by making all adjusting entries</li> <li>• Discuss the different methods of financial analysis</li> <li>• Enable the learner to practically prepare and analyze the financial statements by making adjusting entries</li> </ul>	<p><b>Unit VI Preparation and analysis of final statements(25)</b></p> <p>6.1 Accrual and adjusting entries (2)</p> <p>6.2 Concepts and use of T – accounts(3)</p> <p>6.3 Preparations of financial statements with adjustments using a work sheet(5)</p> <p>6.4 Importance of analyzing the financial statements, precautions in analysis.(3)</p> <p>6.5 Analysis of comparative and common size statements(3)</p> <p>6.6 Analysis of liquidity, solvency, profitability and other relevant ratios(9)</p>
<ul style="list-style-type: none"> <li>• Familiarize the students with the computerized accounting process</li> <li>• Enable the learners to work in any computerized environment in future</li> </ul>	<p><b>Unit VII Understanding computerized accounting process(5)</b></p> <p>7.1 Practical demonstration of the accounting software</p> <p>7.2 Familiarize with recording processing and reporting of accounting information</p>

**Basic Text book:**

Gary Porter and Curtis Norton, Financial accounting, Thompson south western  
Shukla, S M, Advanced Accounting, Sahitya Bhawan, Agra

**Reference**

Roger H Hermanson and James, Don Edward *Financial Accounting: A Business Perspective*.  
Richard D. Irwin Publishing.  
Wagley, KN, Bittiya Bisleshan Tatha Yojana Lekhabidhi, MK publishers Kathmandu  
Munakarmi SP, Accounting for financial Analysis and planning, Buddha academic publishers,  
Kathmandu

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Principles of Management**

Course Code. : **MGMT 314**

Nature of the course: Theory/practical

Year: First

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period 1 hour

Total hours 120

### 1. Course Objectives

The general objectives of the course are as follows:

- To acquaint the learners with the process, functions and principles of management
- To help the learners to develop an understanding about the nature of organization, task and management
- To enable the learners to plan, organize, lead and control the management functions to achieve the organizational goal
- To enable the learners to make the decisions within the context of task and environment
- To enable the learners to understand the relationship of business with organization and adopt the ethical practices for management and society

### 2. Specific Objectives and Contents

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• Explain the nature, role and skill of the managers in an organization</li><li>• Discuss the scientific and creative role of managers</li><li>• Enable the learners to identify the appropriate role and skill to undertake a managerial responsibility</li></ul>	<b>Unit I: Nature of management</b> <ul style="list-style-type: none"><li>1.1 Meaning of organization, management, and managers Management as science or art, management as a process with four functions, importance of managers in organization, concept of efficiency, effectiveness and value addition to organization</li><li>1.2 Interpersonal, Informational and decisional roles</li><li>1.3 Technical, Interpersonal and conceptual skills</li></ul>
<ul style="list-style-type: none"><li>• Explain the process of evolution of the management theories</li><li>• Discuss the relevance of different management theories under the current situation</li><li>• Help the learners to build confidence and insight in the management thought</li></ul>	<b>Unit II :Evolution of management Principles</b> <ul style="list-style-type: none"><li>2.1 Classical Approach: Industrial revolution and division of labor, scientific management theory, general administrative theory of Henri Fayol and Max Weber</li><li>2.2 Human resource and human relation approach :Hawthorne studies, Theory X and Theory Y</li><li>2.3 Behavioral science theories</li><li>2.4 Quantitative approach</li><li>2.5 Process systems and contingency approach</li><li>2.6 Contribution of other disciplines like sociology, political science, economics and psychology in management</li></ul>
<ul style="list-style-type: none"><li>• Explain planning as the foundation of the management process</li></ul>	<b>Unit III: Planning for management</b> <ul style="list-style-type: none"><li>3.1 Meaning and purpose of planning</li><li>3.2 Layers and types of planning in organization</li></ul>

<ul style="list-style-type: none"> <li>• Enable the learners to build a vision for planning the managerial activities</li> </ul>	<p>3.3 Objectives and types of objectives as basis for planning  3.4 Objective setting in organization  3.5 Concept of MBO :effectiveness advantages and disadvantages</p>
<ul style="list-style-type: none"> <li>• Explain the foundation and importance of structure in organization</li> <li>• Discuss the different organizational structures</li> <li>• Enable learner to understand the behavioral implication of different structures</li> </ul>	<p><b>Unit IV Organizing for goal achievement</b>  <b>4.1</b> Meaning and purpose of a structure in organization  <b>4.2</b> Elements of the structure: Unity of command, line of authority, span of control, delegation, centralization vs decentralization  Types of departmentalization: Functional, product based, customer based, process based and geographical  Forms of structure: simple, bureaucratic, team based structure, matrix structure, line and staff function in the organization  Contingency approach in structuring: Major determinants of organizational structure  Coordination a key success factor in organizing  Emerging structures : Boundaryless, virtual structures</p>
<ul style="list-style-type: none"> <li>• Explain the decision making process and styles in organization</li> <li>• Discuss the decision making styles and practices</li> <li>• Enable the learner to choose the appropriate decision making style</li> </ul>	<p><b>Unit V: Decision making in management</b>  <b>5.1</b> Decision making process\  Types of decision  Decision making under rationality and bounded rationality  Decision making styles of managers  <b>5.2</b> Group decision making concepts</p>
<ul style="list-style-type: none"> <li>• Explain the foundation and importance of structure in organization</li> <li>• Discuss the different organizational structures</li> <li>• Enable learner to understand the behavioral implication of different structures</li> </ul>	<p><b>Unit VI Motivating and Leading the employees</b>  <b>6.1</b> Meaning and importance of motivation  <b>6.2</b> A Maslows need theory  <b>6.3</b> Meaning and importance of leadership for managers  in  Organization  <b>6.4</b> Leadership approaches; Trait,behavioural and Contingency approaches</p>
<ul style="list-style-type: none"> <li>• Explain the importance of communication in organization</li> <li>• Discuss the different barriers to communication</li> <li>• Enable the learners to choose effective mode of communication and overcome the barriers</li> </ul>	<p><b>Unit VII Communication in Organization</b>  <b>7.1</b> Meaning, Importance and process of communication  <b>7.2</b> Communication methods: oral, written, verbal and non verbal  <b>7.3</b> Formal and informal communication in organization  <b>7.4</b> Barriers to effective communication  <b>7.5</b> Overcoming barriers</p>

<ul style="list-style-type: none"> <li>• Explain the importance of control and feed back for managing the performance</li> <li>• Discuss the different control approaches and techniques</li> <li>• Enable the learner to design an appropriate control program</li> </ul>	<p><b>Unit VIII: Meaning and purpose of control in organization</b></p> <p>8.1 Meaning importance and process of control Control approaches: Market control, administrative control, Cultural control Types of control</p> <p>8.2 Control techniques: MBWA, periodic reviews, employee performance evaluations, Budgetary controls,</p>
<ul style="list-style-type: none"> <li>• Explain the importance of quality control</li> <li>• Discuss the different quality control approaches</li> <li>• Enable the learner to design an appropriate quality control program</li> </ul>	<p><b>Unit IX : Quality control in management</b></p> <p>9.1 Meaning and importance of quality control 9.2 Concept of TQM 9.3 Requirements for an effective TQM</p>
<ul style="list-style-type: none"> <li>• Explain the importance of CSR</li> <li>• Discuss the different CSR and ethical practices</li> <li>• Enable the learner to put manage with a sense of CSR</li> </ul>	<p><b>Unit X : Corporate Social Responsibility and Business ethics</b></p> <p>10.1 Business ethics; Definition &amp; nature, Characteristics of ethical problems in management, Causes of unethical behaviour; Ethical abuses, Ethics in work environment, ethics for Customers, practice of good governance in organization 10.2 CSR: Meaning and importance of CSR , Scope of CSR, Practice of social audit</p>
<ul style="list-style-type: none"> <li>• Explain the meaning of globalization and international business</li> <li>• Discuss the different modes of entry into international business</li> <li>• Help the learner to become a part of a global organization</li> </ul>	<p><b>Unit XI Global business management:</b></p> <p>11.1 Meaning of globalization and international business Globalization of market and production Economic and cultural integration brought by globalization</p> <p>11.2 Why domestic business tries to enter international market Different modes of entry into international business: export, license, Franchise, JV and wholly owned subsidiaries Difference between management of domestic vs multinational company</p>

**Basic Text book:**

Wehrich, Cannice and Koontz(2011), Management ,Mc Graw Hill

**Reference book**

Stephen Robins, Mary Coulter, Management, 11th edition, Prentice Hall

Hill and Mcshare, Principles of management, Mcgraw Hill

Stoner, Freeman and Gilbert, Management, Pearson

**FAR WESTERN UNIVERSITY**

**Faculty of Management**

**Bachelor of Business Studies (BBS)**

**Second Year**



**Syllabus**

**2075**

***Bheemdattnagar, Kanchanpur***

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Foundation of Information System Technology**

Course Code. : **MGMT 322**

Nature of the course: Theory and Practical

Year: Second

Level: BBS

Full marks: 100

Pass marks: 45

Time per period: 1 hr.

Total periods: 120

### 1. Course Description

This course introduces computer and information technology systems that are used for organizational decision making and problem solving. The study determines the positive interaction of systems, development concepts, and application software enabling an organization to improve quality, timeliness and competitive advantage. Besides this, the course describes how information systems have changed how businesses operate and succeed in today's global economy.

### 2. Course Objectives

The general objectives of the course are as follows

- To understand impact of information technology in business environment
- To highlight information systems and their effectiveness in organization success
- To give better IT infrastructure such as computer hardware, software, network and data resources
- To discuss role of internet and electronic commerce in today's competitive business environment
- To provide concepts of new ethical issues, security threats, information system development process

### 3. Specific Objectives and Contents

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• Identify characteristic, advantages, drawbacks and application areas of computers</li><li>• Describe evolution and generations of computers</li><li>• Dissect digital computers to understand basic components</li><li>• Classify computers on the basis of size, brand and operation</li><li>• Exemplify data representation of digital computers</li></ul>	<b>Unit I: Introduction to Computers (8)</b> 1.1. Basic Concept: Definition of Computer, Characteristics, Advantages and Drawbacks of Computers, Application Areas of Computers 1.2. History of Computers: ABACUS to Modern Computers, Evolution and Generations of Computers 1.3. Anatomy of Computers: Major Components (Processor, Memory, Input/output, Secondary Storage, Network Components) with brief overview 1.4. Types of Computers: On the basis of Operation, On the basis of Size, On the basis of Brand <b>1.5. Data Representation: Binary Number system, Binary addition and Subtraction, Complements, Arithmetic's with Complements, ASCII codes, UNICODE</b>
<ul style="list-style-type: none"><li>• Discuss pressure on today's business due to information age and explain IT support to handle those pressures</li><li>• Explain importance of IT in business and management career</li><li>• Describe information systems used at different organizational levels and functional areas</li><li>• Exemplify information systems and their support in decision making</li></ul>	<b>Unit II: Information Systems in Organization (8)</b> 2.1. IT in the Organization: Positioning IT to Optimize performance, Business Pressures and IT Support, Information technology Vs Information System, Importance of IT in Business Management Career 2.2. Basic IS Concepts: Data Vs Information, Definition and Components of Information Systems, IT Infrastructure and Resources of Information System 2.3. Information Systems and Decision Support: Information systems in different organizational Level, Information systems according to Functional Areas, Overview of Enterprise Systems 2.4. Business Case Discussion



<ul style="list-style-type: none"> <li>• Explain different hardware components used in computer systems</li> <li>• Discuss moors law factors affecting CPU seed and different types of processors</li> <li>• Describe different primary memories employed in our computers and their importance</li> <li>• Specify different types of secondary storage along with their uses</li> <li>• Discuss primary as well as other I/O devices used in computer system along with their uses</li> </ul>	<p><b>Unit III: Computer Hardware (10)</b></p> <p>3.1. Central Processing Unit: Components of CPU, Factors affecting speed of CPU, Types of Processors, Moors Law</p> <p>3.2. Primary Memory: RAM, Variations of RAM, ROM, Variations of ROM, Cache Memory, Working of Cache, Registers</p> <p>3.3. Secondary Storage: Magnetic Storage (Magnetic Disc and Tape), Optical Storage (CD and its variations, DVD), Magneto-optical storage Devices, Flash Memory</p> <p>3.4. Input technology: Keyboard, Mouse, Light pen, Joystick, Touch Screen, Stylus, Scanners and its Variations, Microphone</p> <p>3.5. Output Technology: Monitors (CRT, LCD, LED), factors affecting Quality of Monitors, Printers (Impact, Non-impact), factors affecting Quality of Printers, Plotters, Speaker</p> <p>3.6. Strategic Hardware Issues</p>
<ul style="list-style-type: none"> <li>• Describe significance of software in computer system and its relationship with hardware</li> <li>• Discuss role of system software and application software's</li> <li>• Exemplify system software's along with their importance and use.</li> <li>• Discuss application software's and different application packages</li> <li>• Apply application software packages in business problem solving</li> <li>• Apply utility software's and understand their effectiveness in computer operation</li> </ul>	<p><b>Unit IV: Computer Software (10)</b></p> <p>4.1. Overview: Definition and Significance, Relationship between Hardware and Software, Types of Software</p> <p>4.2. System Software: Definition and Examples, Operating System, Functions of Operating Systems, Language Translators (Compilers, Interpreters, Assemblers), Programming Languages and it's Generations</p> <p>4.3. Application Software's: Definition and Examples, Relationship with System Software, Word Processing (Introduction, Basic Capabilities and Advanced Features of Word Processors, Packages), Electronic Spreadsheets (Fundamentals and Characteristics of Electronic Spreadsheets, Spreadsheet Packages), Presentation Software (Introduction, Presentation basics, Ingredients of Good Presentation, Packages), Analysis Software (Introduction, Importance, Analysis Packages)</p> <p>4.4. Utility Software's: Introduction and Examples, Disk Defragmenter, Disk Clean-up etc</p> <p>4.5. Strategic Software Issues</p>
<ul style="list-style-type: none"> <li>• Explain challenges of managing data resources in traditional file environment and their solution by using DBMS.</li> <li>• Identify capabilities of DBMS and important principles of database design</li> <li>• Exemplify important tools and techniques for accessing information from database to improve decision making and business performance</li> </ul>	<p><b>Unit V: Data Management (8)</b></p> <p>5.1. Overview: Definitions and Terminologies, Need of Data Management, Data Management Approaches</p> <p>5.2. File management System: Definition, Limitations and Benefits of File Management Systems</p> <p>5.3. Database Management Systems: Database, DBMS, Database Systems, Advantages and Drawbacks, Database Languages, Data Models, Concept of Normalization</p> <p>5.4. Business Intelligence and Data: Data warehouse, Data Mart, Data Mining, Purpose of Data Mining, Multidimensional Data, OLAP</p> <p>5.5. Enterprise Content management, Business Case</p>
<ul style="list-style-type: none"> <li>• Identify components of telecommunication networks and key networks technologies</li> <li>• Describe main transmission media and types of networks</li> <li>• Discuss different devices used in network along with their use</li> </ul>	<p><b>Unit VI: Telecommunication and Networking (10)</b></p> <p>6.1. Network and Telecommunication: Definition, Data Vs Signal, Communication Processors (Modem, Multiplexer, Front end Processors), Types of Networks, Value Added Networks</p> <p>6.2. Communication Channels: Guided and Unguided Transmission media and their characteristics and Applications</p> <p>6.3. Networking Components: Repeater, Amplifiers, Hub, Switch, Bridge, Router, LAN card, Gateway</p>

<p>and working.</p> <ul style="list-style-type: none"> <li>• Explain different network topologies with their advantages and limitations</li> <li>• Indicate role of protocols in communication and their architecture</li> </ul>	<p>6.4. Network Topologies: Bus, Ring, Star, Mesh, Tree and Hybrid Topology along with Advantages and Drawbacks</p> <p>6.5. Network Architectures: Peer to Peer, Client Server, Distributed</p> <p>6.6. Protocols: OSI Reference Model, TCP/IP, Application Layer Protocols (HTTP, FTP, Telnet, SMTP)</p> <p>6.7. Network Management Portals, Business Case</p>
<ul style="list-style-type: none"> <li>• Discuss evolution, operation and business value of internet</li> <li>• Specify IP addresses, domain names and MAC address used in computers attached to the network</li> <li>• Describe services provided by internet and their application in business</li> <li>• State world wide web and search engines, and intranet and extranet along with their business value</li> </ul>	<p><b>Unit VII: Internet and Business (8)</b></p> <p>7.1. Overview: Evolution of Internet, Addresses in the Internet (IP address, Domain name System), Classes of IP Addresses, Private and Public IP Address, MAC, Packet switching vs Circuit Switching</p> <p>7.2. Services Provided by Internet: Communication, Information Retrieval, WWW etc</p> <p>7.3. Search Engines and WWW: URL, Dissection of URL's, Web Server, Web Browsers with examples</p> <p>7.4. Business value of Internet, Intranet, Business value of Intranet, Extranet, Business Value of Extranet</p> <p>7.5. Business Case</p>
<ul style="list-style-type: none"> <li>• Describe unique features of E-commerce and application trends of e-commerce</li> <li>• Explain and exemplify different types of e-commerce</li> <li>• Specify revenue generation schemes of ecommerce business models</li> <li>• Discuss business value of mobile commerce and its applications</li> <li>• Discuss digital payment systems along with their security and privacy requirements</li> </ul>	<p><b>Unit VIII: Ecommerce and E-Business (10)</b></p> <p>8.1. Overview: E-Business vs E-Commerce, Pure vs Partial Ecommerce, Ecommerce Application Trends, Unique Features of E-Commerce, E-marketing</p> <p>8.2. Types of E-Commerce: Business to Business, Business to Consumer, Consumer to Business, Consumer to Consumer</p> <p>8.3. Revenue Generation Models in Ecommerce: Brokerage Model, Buyer Aggregator Model, Advertising Model, Community Model etc</p> <p>8.4. Mobile Computing and Commerce: Mobile Computing Technology, Mobile Financial Services, Mobile Shopping, Advertisement and Entertainment</p> <p>8.5. Electronic Payment Systems: E-Cheque, E-Cash, Credit cards, Smart Cards, Requirements of Electronic Payment Systems</p> <p>8.6. Business Case Discussion</p>
<ul style="list-style-type: none"> <li>• Explain different dimensions of ethics and new ethical issues raised due to current information age</li> <li>• Discuss different computer crimes and privacy issues in information age</li> <li>• Describe various security defenses needed in networked environment</li> <li>• Discuss additional security measures and importance of and auditing IT security</li> </ul>	<p><b>Unit IX: Ethics and Security (10)</b></p> <p>9.1. Business/IT Security, Ethics, and Society, Ethical responsibilities of Business Professionals (Business Ethics, Technology Ethics, Ethical Guidelines), Computer Crimes (Hacking, Cyber Theft, Unauthorized Access, Software Piracy, Piracy of Intellectual Property, Computer Viruses and Worms)</p> <p>9.2. Privacy Issues: Privacy on the Internet, Computer matching, Privacy Laws, Computer Libel and censorship, Other Challenges: Emplacement Challenges, Computer Monitoring, Challenges in Working Conditions, Challenges to Individuality, Health issues</p> <p>9.3. Tools for Security management, Internetwork Security Defenses (Encryption, Firewalls, Denial of Service Defenses, e-mail monitoring, Virus defenses), Other Security Measures: Security Codes, Backup, Security Monitors, Biometric Security, Computer Failure Controls, Fault Tolerant Systems, Disaster Recovery, System Controls and Audits: Information System Controls, Auditing IT Security</p> <p>9.4. Business Case Discussion</p>

<ul style="list-style-type: none"> <li>• Describe role of information systems in organizational changes and improvements</li> <li>• Understand core activities of system development process</li> <li>• Discuss activities of system implementation phase</li> <li>• Understand different conversion methods used in system implementation</li> <li>• Describe alternative and new methods of developing information systems</li> </ul>	<p><b>Unit X: Developing Business/ IT Solutions (8)</b></p> <p>10.1. Traditional System Development Life Cycle, The prototyping Process</p> <p>10.2. Phases of System Development: Feasibility Study, System Analysis, System Design, System specification, End User Development, System Implementation</p> <p>10.3. Implementing Business Systems: Implementation Activities (Acquisition of Hardware, Software and Services, Software Development, Data Conversion, End User Training, Conversion), Other Implementation Activities</p> <p>10.4. Conversion Methods: Parallel Conversion, Phased Conversion, Pilot Conversion, Direct Cutover</p> <p>10.5. Managing Organizational Change: End User Resistant and Involvement, Change Management</p> <p>10.6. Other System Development Methodologies: Rapid Application development, Joint Application Development, Component Based Development</p>
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#### 4. Prescribed Books

Alexis Leon, Mathews Leon, *Fundamentals of Information Technology*, Leon Tech World, Second Edition, 2009

James A. O, Brien, *Introduction to Information Systems*, TATA McGRAW-HiLL, 12<sup>th</sup> Edition, 2007

Laudon, K. C. and Laudon, J. P. (2010) *Management Information Systems*, 11th Edition Pearson.

Pearlson, K. E., and Saunders, C. S., (2010) *Managing and Using Information Systems: A Strategic Approach*, 4<sup>th</sup> edition, John Wiley and Sons.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Business Law**  
Course Code: **MGMT 324**  
Nature of the course: Theory  
Year: Second  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

### Course Description:

Businesses operate within a clear but quite complex legal environment. To become an effective business leader or business owner, students need to understand that environment. Business Law addresses statutes and regulations affecting businesses, families, and individuals in their related roles. Knowledge of business law is useful for all students because all students eventually assume roles as citizens, workers, and consumers in their communities and in society at large. The purpose of this course is to give student an overview of legal matters that they will deal with in their personal and professional life. The course begins with a quick view on the concept of law, sources of business law and covers a wide range of legal topics such as contract law, law of Agency, law of Sale of Goods and Consumer Protection law. Intellectual Property Legislations, Company Incorporation and management and many more critical legal issues that are common in the business world. This course also provides a general understanding of dispute settlement process in Nepal.

### LEARNING OBJECTIVES:

#### A. The general objectives of the course are as follows:

- Understand basic legal terminology and concepts.
- Identify the fundamental legal principles behind formation, performance and termination of contract.
- Enable the students to understand the emerging legal issues in business environment.
- Understand the Nepalese Legal Environment in which Business is carried on.
- Explain the legal structure of different forms business organizations
- Acquire problem solving techniques and to be able to present coherent, concise legal argument.
- Provide knowledge to the students about the dispute settlement process in Nepal.

#### B. Specific Objectives and Contents

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• Understand the concept and sources of law</li><li>• Understand the concept of business law</li><li>• Identify the sources of business law</li></ul>	<b>Unit - 1: Introduction to Law (5 hours):</b> 1.1. Meaning and nature of law 1.2. Types and sources of law; 1.3. Concept of business law; importance and Scope of Business Law, 1.4. Sources of Business Law, 1.5. Sources of Nepalese Business Law,
<ul style="list-style-type: none"><li>• Understand the concept of contract</li><li>• Identify the elements of a contract:</li></ul>	<b>Unit – 2: Law of Contract (30 hours):</b> 2.1. Meaning and definition of Contract, Types of Contract,

<ul style="list-style-type: none"> <li>• Discuss the requirements of an offer and acceptance and how the offer can be terminated/discharged.</li> <li>• Identify the classifications of contracts: valid, void, voidable, unenforceable, express, implied, oral, and written.</li> <li>• Define consideration.</li> <li>• Understand the meaning of contingent contract and quasi contract</li> <li>• Differentiate among the ways that a contract can be disrupted, such as fraud, non-disclosure, misrepresentation, mistake, duress, and undue influence.</li> <li>• Name the ways a contract may be terminated or discharged.</li> <li>• Explain a minor's rights to disaffirm contracts.</li> <li>• Define breach of contract.</li> <li>• Name legal remedies available for resolution of breach of contract.</li> </ul>	<p>2.2. Essentials of a valid contract, (Offer, Acceptance, Consideration, Capacity of Parties, Free Consent, Legality of Object.)</p> <p>2.3. Meaning and rules regarding offer, acceptance, contractual capacity,</p> <p>2.4. Minor's agreements</p> <p>2.5. Person with of unsound mind and disqualified persons,</p> <p>2.6. Voidable contract: Coercion, Undue influence misrepresentation, Fraud and Mistake</p> <p>27. Contingent Contract. Distinction between Contingent Contract and Wagering Agreement;</p> <p>2.8. Performance of Contract;</p> <p>2.9. Termination and Discharge of contract;</p> <p>2.10. Remedies for Breach of Contract,</p> <p>2.11. Quasi Contracts.</p> <p>2.12. Evolution of contract law in Nepal.</p>
<ul style="list-style-type: none"> <li>• Understand the concept of bailment and pledge</li> <li>• Explain how a bailment is created</li> <li>• Identify the rights and duties of bailor and bailee, Pawner and Pawnee and finder of lost goods</li> <li>• Know the pledge by non-owner.</li> </ul>	<p><b>Unit- 3: Bailment and Pledge (6 hours):</b></p> <p>3.1. Concept and features of bailment and pledge;</p> <p>3.2. Distinction between bailment and pledge; Right and duties of bailor and bailee, Pawner and pawnee</p> <p>3.3 Rights and duties of finder of lost goods.</p> <p>3.4. Pledge by non-owner.</p>
<ul style="list-style-type: none"> <li>• Understand the concept of Indemnity and Guarantee</li> <li>• Identify the rights and duties of indemnifier and indemnity holder</li> <li>• Define guarantee and surety</li> </ul>	<p><b>Unit -4: Indemnity and Guarantee (4 hours):</b></p> <p>4.1. Meaning and definition of contract of indemnity;</p> <p>4.2. Rights and duties of indemnifier and indemnity holder;</p> <p>4.3. Meaning and types of guarantee;</p> <p>4.4. Rights and liabilities of surety; Discharge of surety's liability;</p> <p>4.5. Distinction between indemnity and guarantee.</p>
<ul style="list-style-type: none"> <li>• Understand the concept of agency and arbitration</li> <li>• Identify the parties of an agency</li> <li>• Describe how an agency is created and terminated</li> <li>• Understand the Concept and importance of arbitration</li> <li>• Identify the power and duties of arbitrator</li> <li>• Name the ways of revocation of arbitrator's authority</li> </ul>	<p><b>Unit -5: Agency and Arbitration: (16 hours)</b></p> <p>5.1. Meaning and definition of agency;</p> <p>5.2. Creation of agency; Classification of agents;</p> <p>5.3. Rights, Duties and personal liabilities of agent and principal</p> <p>5.4. Termination of agency;</p> <p>5.4. Provisions of Nepal Agency Act, and Agency Rules.</p> <p>5.5. Procedure of registration and effect of non-registration of agency in Nepal.</p> <p>5.6. Concept of arbitration,</p> <p>5.7. Importance of arbitration;</p> <p>5.8. Who can refer disputes to arbitration?</p> <p>5.9. What may be referred to arbitration?</p> <p>5.10. Powers and duties of arbitrator,</p> <p>5.11. Revocation of arbitrator's authority,</p>

	<p>5.12. The Award and Execution of the award.  5.13. Provisions relating to Arbitration in Nepal.</p>
<ul style="list-style-type: none"> <li>• Explain the difference between a sale contract and an agreement to sell</li> <li>• Determine when title and risk of loss pass</li> <li>• Distinguish between express and implied warranty</li> <li>• Understand the concept of unpaid seller</li> <li>• Understand different types of consumer frauds/consumer dispute</li> <li>• Describe laws and agencies that protect consumer</li> <li>• Understand the regulations relating to consumer protection</li> <li>• Identify the administrative agencies relating to consumer protection</li> </ul>	<p><b>Unit - 6: Sale of Goods Act and Consumer Protection Act (16 hours):</b></p> <p>6.1. Contract of sale, difference between sale and agreement to sell;  6.2. Conditions and warranties;  6.3. Transfer of ownership in goods including sale by non-owners;  6.4. The principle of Caveat Emptor.  6.4. Performance of sale and Unpaid seller – meaning and rights of an unpaid seller against the goods and the buyer.  6.5. Objectives of consumer protection,  6.6. Definition of Consumer, Consumer Dispute, Complaint, Complainant, Deficiency, Service,  6.7. Restrictive/Unfair Trade Practice;  6.8. Rights of Consumer,  6.9. Consumer Protection Council,  6.10. Consumer Grievances Redressal Agencies.  6.11. Provisions of Consumer Protection act in Nepal.</p>
<ul style="list-style-type: none"> <li>• Understand the concept of intellectual properties (e.g., patents, copyrights, trademarks).</li> <li>• Explain how intellectual property can be acquired</li> <li>• Understand the benefits of intellectual properties.</li> <li>• Understand the major provisions of intellectual property laws in Nepal.</li> </ul>	<p><b>Unit - 7: Intellectual Property Legislations (10 hours):</b></p> <p>7.1. Meaning and Scope of Intellectual Properties,  7.2. Forms of Intellectual Property,  7.3. Patent - Rights and Duties of Patentee, Infringement of Patent, Relief Available;  7.4. Trade Mark - Assignment and Transmission of Trade Mark, Infringement, Action against Infringement;  7.5. Copy Right - Meaning, Infringement and Remedies Available;  7.6. Procedure for Grant of Process and Product Patents,  7.7. WTO Rules as to Patents (in brief).  7.8. Major Provisions of patent, Trademark and copyright laws in Nepal.</p>
<ul style="list-style-type: none"> <li>• Understand the concept types and functions of negotiable instruments</li> <li>• Understand how negotiable instruments are transferred and assigned</li> <li>• Differentiate between bearer and ordered paper</li> <li>• List the requirements of negotiability</li> <li>• Identify the types of endorsement</li> <li>• Describe how negotiable instruments are discharged</li> </ul>	<p><b>Unit - 8: Negotiable Instruments Act (6 hours)</b></p> <p>8.1. Concept and Importance of Negotiable Instruments;  8.2. Types and Characteristics of Negotiable Instruments;  8.3. Features of Promissory note,  8.4. Bill of Exchange,  8.5. Cheque;  8.6. Holder and holder in due Course;  8.7. Dishonour of Negotiable Instruments. Provision of Negotiable Instruments Act in Nepal.</p>

<ul style="list-style-type: none"> <li>• Understand the concept of Cyber Law/Information Technology Act</li> <li>• Understand the regulations relating to Cyber crime</li> <li>• Identify the administrative agencies relating to Cyber crime</li> </ul>	<p><b>Unit - 9: Cyber Law/Information Technology Act (5 hours):</b></p> <p>9.1. Concept, Objectives and Definition of various Terms related to cyber law and information technology.</p> <p>9.2. Salient Features,</p> <p>9.3. Provisions pertaining to Piracy and related Offences and Penalties,</p> <p>9.4. Cyber Appellate Tribunal.</p>
<ul style="list-style-type: none"> <li>• Understand the procedure of setting up and operating sole proprietorships, partnerships, and corporations</li> <li>• Explain how a sole proprietorship, partnership, and corporation is dissolved</li> <li>• Identify the important documents of a joint stock company</li> </ul>	<p><b>Unit 10: An overview of laws relating to business organizations in Nepal: (16 hours)</b></p> <p><b>10.1. Sole proprietorship:</b></p> <p>10.1.1. Procedure of registration</p> <p>10.1.2. Effects of non-registration</p> <p>10.1.3. Dissolution of firm</p> <p><b>10.2. Partnership:</b></p> <p>10.2.1. Definition, essentials of partnership</p> <p>10.2.2. Rights, duties and Liabilities of partners</p> <p>10.2.3. Types of partnership</p> <p>10.2.4. Registration of a firm</p> <p>10.2.5. Effects of non-registration,</p> <p>10.2.6. Dissolution of partnership.</p> <p><b>10.3. Joint stock company:</b></p> <p>10.3.1. Formation of company</p> <p>10.3.1.1. Procedure for registration and incorporation,</p> <p>10.3.1.2. Certificate of incorporation and commencement of business;</p> <p>10.3.2. Important books</p> <p>10.3.2.1. Memorandum of Association (Contents)</p> <p>10.3.2.2. Articles of Association (Content)</p> <p>10.3.2.3. Prospectus (form and content)</p> <p>10.3.3. Management of company:</p> <p>10.3.4. Minutes and reports of company</p> <p>10.3.5. Company meetings and procedures of company meeting.</p> <p>10.5.1. Appointment, Rights, and duties of an auditor.</p> <p>10.3.3. Winding up of companies:</p> <p>10.3.3.1. Various modes (Compulsory winding up)</p> <p>10.3.3.2. Members and creditors voluntary winding up</p> <p>10.3.3.3. Winding up subject to the supervision of the court</p> <p>10.3.3.4. Powers and duties of official liquidator</p>

<ul style="list-style-type: none"> <li>• Acquaint with the court procedure in Nepal.</li> <li>• Know the concept of alternative dispute settlement process.</li> </ul>	<p><b>Unit 11. Dispute Settlement process in Nepal (6 hours)</b></p> <p>11.1. The Court Process in Nepal.</p> <p>11.2. Alternative Dispute Resolution process</p> <p>11.2.1. Arbitration.</p> <p>11.2.2. Conciliation.</p>
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**Basic Book and References:**

**Basic text book**

**Basic Books**

1. Anson, W.R, Anson's Law of Contract, Oxford University Press, London
2. L. Y. Robertson Smith, G.G. Mann, R.A. & Roberts Business Law, West Publishing Co. Chicago
3. Shukla, M.C. Commercial Law - S. Chand & Sons, New Delhi
4. Kucchal M.C, Business Law, Vikash Publishing House, Delhi,

**References:**

**Reference Books**

5. Beatty J. F, Samuelson S. S, Bredeson D, .Business Law and the Legal Environment; South Western Cengage Learning.
6. Tulsan P.C. Business Law, Tata McGraw Hill Delhi,
7. Contract Act 056,
8. Agency Act 2014,
9. Agency Rules 2019,
10. Arbitration Act 2055,
11. Nepal Negotiable Instruments Act 2034,
12. Company Act 2063
13. Consumer Protection act in Nepal. 2054.
14. The Patent, Design and Trade Mark Act, 2022 with recent amendments (2044 and, 2063).
15. The Copyright Act, 2059.
16. The Electronic Transaction Act 2063.
17. Partnership Act, 2020 (1964)
18. Private Firm Registration Act, 2014 (1958)
19. Companies Act, 2063.
20. Arbitration Act, 2055.



**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Foundation of Organizational Behaviour**  
Course Code: **MGMT 323**  
Nature of the course: Theory  
Year: Second  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. Course Introduction**

The course is designed to provide a basic framework for understanding the organizational behaviour. It provides the conceptual and theoretical aspects of organizational behaviour. It includes the concept of OB, individual behaviour, personality and attitudes, perception and learning. The course further includes motivation and stress management, group behaviour and, leadership and communication. The course also deals with organizational structure, organizational culture, organizational change and development. Finally in the last chapter it considers the basic concepts of TQM and re-engineering.

**2. General Objectives**

- To enable the students to know the concept of Organizational Behaviour.
- To acquaint the learners about the understanding of individual behaviour.
- To familiarize the students with personality, attitudes, perceptions and learning.
- To make students know about motivation and its theories and job satisfaction.
- To enable the students about stress management and sources of stress.
- To make clear about the concepts of group and team
- To acquaint the students with the leadership and communication.
- To help the students to develop the understanding about organizational structures, cultures, organizational change and development.
- To facilitate the students about conflict and negotiation.

**3. Specific objectives and Contents**

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Describe organization</li> <li>• Introduce the concept of OB</li> <li>• Explain the foundation of OB</li> <li>• Discuss the trends and challenges</li> </ul>	<p><b>Unit I: Introduction to Organizational Behaviour (10)</b></p> <p>1.1 Organizational Behavior (OB)</p> <p>1.1.1. Concept of Organization</p> <p>1.1.2. Features and importance of organization</p> <p>1.1.3. Concept of OB</p> <p>1.1.4. Nature and importance of OB</p> <p>1.1.5. Foundation of OB</p> <p>1.1.6. Emerging trends and challenges of OB</p>
<ul style="list-style-type: none"> <li>• Explain individual behavior as a system and factors affecting it</li> <li>• Discuss personal and environmental factors</li> </ul>	<p><b>Unit II : Understanding Individual Behavior (6)</b></p> <p>2.1. Individual behavior as a system</p> <p>2.2. Factors affecting individual behavior</p> <p>2.3. Personal factors</p> <p>2.4. Environmental factors</p>

<ul style="list-style-type: none"> <li>• Explain the concept of personality</li> <li>• Discuss the factors determining personality</li> <li>• Explain personality theories</li> <li>• Discuss personality attributes affecting OB</li> <li>• Explain the concept, nature and components of attitudes</li> </ul>	<p><b>Unit III : Personality and Attitudes (12)</b></p> <ul style="list-style-type: none"> <li>3.1. Meaning and concept of personality</li> <li>3.2. Factors determining personality</li> <li>3.3. Theories of personality</li> <li>3.4. Matching personality with jobs</li> <li>3.5. Personality attributes affecting organizational behavior</li> <li>3.6. Concept of attitudes</li> <li>3.7. Nature and components of attitudes</li> </ul>
<ul style="list-style-type: none"> <li>• Explain the concept and importance of perception</li> <li>• Identify the factors influencing perception</li> <li>• Explain the perceptual process</li> <li>• Explain the meaning and process of learning</li> <li>• Describe the principles of learning and learning org</li> </ul>	<p><b>Unit IV: Perception and Learning (12)</b></p> <ul style="list-style-type: none"> <li>4.1. Concept of perception</li> <li>4.2. Importance of perception</li> <li>4.3. Factors influencing perception</li> <li>4.4. Perceptual process</li> <li>4.5. Social perception</li> <li>4.6. Impression management</li> <li>4.7. Meaning and process of learning</li> <li>4.8. Principles of learning</li> <li>4.9. Learning organizations</li> </ul>
<ul style="list-style-type: none"> <li>• Explain the concept, features and importance of motivation</li> <li>• Describe the theories of motivation</li> <li>• Discuss the types of motivation</li> </ul>	<p><b>Unit V : Motivation (8)</b></p> <ul style="list-style-type: none"> <li>5.1. Concept of motivation</li> <li>5.2. Characteristics of motivation</li> <li>5.3. Importance of motivation</li> <li>5.4. Maslow's theory of need hierarchy</li> <li>5.5. Herzberg's two factors model theory</li> <li>5.6. McGregor's Theory X and Theory Y</li> <li>5.7. Positive, negative, monetary and non-monetary motivation</li> </ul>
<ul style="list-style-type: none"> <li>• Explain the concept and sources of stress</li> <li>• Discuss the outcomes of stress</li> <li>• Find out remedies to manage change</li> <li>• Explain group and reasons for group formation</li> <li>• Discuss the types and imp of groups</li> </ul>	<p><b>Unit VI : Stress Management (8)</b></p> <ul style="list-style-type: none"> <li>6.1. Concept of stress</li> <li>6.2. Sources of stress <ul style="list-style-type: none"> <li>6.2.1. Individual level stressors</li> <li>6.2.2. Group level stressors</li> <li>6.2.3. Organizational stressors</li> </ul> </li> <li>6.3. Outcomes of stress</li> <li>6.4. Management of stress</li> </ul> <p><b>Unit VII : Groups and Teams (14)</b></p> <ul style="list-style-type: none"> <li>3.1. Meaning of group</li> <li>3.2. Reasons for group formation</li> <li>3.3. Types of groups</li> <li>3.4. Importance of groups</li> <li>3.5. Group dynamics</li> </ul>

<ul style="list-style-type: none"> <li>• Describe group dynamics</li> <li>• Explain the meaning and imp of teams</li> </ul>	3.6. Meaning of teams
<ul style="list-style-type: none"> <li>• Discuss the types of teams and effective teamwork</li> <li>• Compare teams with groups</li> </ul>	3.7.Importance of teams 3.8.Types of teams 3.9.Effective teamwork 3.10.Teams vs groups
<ul style="list-style-type: none"> <li>• Explain the concept, nature and importance of leadership</li> <li>• Discuss the leadership styles</li> <li>• Interact the theories of leadership</li> <li>• Define communication</li> <li>• Explain the types, importance and process of communication</li> <li>• Discuss the barriers to communication</li> </ul>	<b>Unit VIII : Leadership and Communication (12)</b> 8.1. Concept of leadership 8.2. Nature of leadership 8.3. Importance of leadership 8.4. Leadership styles 8.5. Theories of leadership (Trait, behavioral and contingent). 8.6. Meaning and definition of communication 8.7. Types of communication 8.8. Importance of communication 8.9. Communication process 8.10. Barriers to communication
<ul style="list-style-type: none"> <li>• Explain the meaning and types of organizational structures</li> <li>• Discuss departmentalization, centralization and decentralization</li> <li>• Explain the concept of virtual organization</li> <li>• Explain the concept and imp of organizational culture</li> </ul>	<b>Unit IX : Organizational Structures and Cultures (12)</b> 9.1. Meaning of organizational structure 9.2. Types of organizational structures 9.3. Departmentalization 9.4. Centralization and decentralization 9.5.Virtual organizations 9.6. Concept of organizational culture 9.7. Importance of organizational culture
<ul style="list-style-type: none"> <li>• Explain the meaning, nature, process and levels of conflict</li> <li>• Discuss how to resolve conflict</li> <li>• Explain the concept and process of negotiation</li> <li>• Discuss the bargaining strategies</li> </ul>	<b>Unit X : Conflict and Negotiation (10)</b> 10.1. Meaning and nature of conflict 10.2. Process of conflict 10.3. Levels of conflict 10.4. Resolving conflict 10.5. Concept of negotiation 10.6. Bargaining strategies 10.7. Negotiation process

<ul style="list-style-type: none"> <li>• Explain the meaning of organizational change</li> <li>• Discuss the forces responsible for change and resistance to change</li> <li>• Discuss about managing change</li> </ul>	<p><b>Unit XI : Organizational Change and Development (12)</b></p> <p>11.1. Meaning of organizational change  11.2. Forces responsible for change  11.3. Resistance to change  11.4. Creating a learning organization  11.5. Managing change  11.6. Concept of features of organizational development  11.7. Objectives of organizational development  11.8. Organizational development process</p>
<ul style="list-style-type: none"> <li>• Explain the concept of job satisfaction</li> <li>• Identify and discuss the causes and effects of job satisfaction</li> </ul>	<p><b>Unit XII:: Job Satisfaction (4)</b></p> <p>12.1. Concept of job satisfaction  12.2. Causes of job satisfaction  12.3. Effects of job satisfaction</p>

#### 4. Prescribed Books

##### Basic books

Helga Drummond, *Introduction to Organizational Behaviour*, (2000), Oxford University press, NY New York

K. Aswathappa, *Organizational Behaviour* (2011), 10<sup>th</sup> edition, Himalaya Publishing House

Stephen L. McShane, M.A.V. Glinow, and Radha R. Sharma, *Organizational Behavior*, (2009), Tata McGraw Hill, New Delhi.

Stephen Robbins, Timothy Judge and Neharika Vohra, *Organizational Behavior*, (2011), 14<sup>th</sup> edition, Pearson education Prentice Hall.

##### References

Dipak Kumar Bhattacharyya, *Organizational Behaviour* (2009), Oxford University Press.

Fred Luthans, *Organizational Behaviour* (2005), Tata McGraw Hill, New Delhi.

Gregory Moorhead and Ricky W. Griffin, *Organizational Behaviour*, (2000), AITBS Publishers and Distributors, New Delhi.

Kavita Singh, *Organizational Behaviour* (2010), Pearson Education.

Rae Andre, *Organizational Behaviour* (2009), Pearson Education.

S. P. Robbins, *Organizational Behaviour* (2010). Prentice-Hall, New Delhi.

S. S. Khanka, *Organizational Behaviour: Text and Cases*. (2004), S. Chand and Co. New Delhi.

Udai Pareek, T. V. Rao and D. M. Pestonjee, *Behavioural Processes in Organizations* (2009), Oxford and IBH, New Delhi.

Udai Pareek, T. V. Rao and D. M. Pestonjee, *Behavioural Processes in Organizations* (2009), Oxford and IBH, New Delhi.

Udai Parrek and Sushama Khanna, *Understanding Organizational Behaviour* (3<sup>rd</sup> Edition), Oxford University Press.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Fundamentals of Financial Management**  
 Course Code: **MGMT 325**  
 Nature of the course: Theory/practical  
 Year: Second  
 Level: BBS

Full Marks: 100  
 Pass Marks: 45  
 Time per period: 1 hour  
 Total periods: 120

**1. COURSE OVERVIEW:**

Financial management is one of the most pivotal elements in business management since the design and implementation of a business strategy will eventually be faced with financial concerns and financial performance measurement. This course discusses concepts and decisions in financial management, specifically those concerned about corporate finance. The major objective of this course is to provide a solid foundation of the basic concepts of corporate financial management.

**2. LEARNING OBJECTIVES:**

**A. The general objectives of the course are as follows:**

1. Explain and apply basic concepts of Financial Management.
2. Analyze the basic financial statements of a company, calculate key financial ratios, interpret them, and identify strengths and weaknesses in the company's financial management policies.
3. Apply time value of money concepts as part of financial decision-making.
4. Value securities by applying security valuation models and analyze the cost of capital.
5. Analyze the capital structure and leverage of corporations.
6. Apply basic capital budgeting techniques to project evaluation.
7. Analyze the working capital management and components of working capital.
8. Acquire the basic concept of dividend policy of the corporation.
9. Provide background knowledge to the students for concentration course of finance.

**B. Specific Objectives and Contents**

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Describe what the subject of financial management is about.</li> <li>• Interface between Finance and Other Functions.</li> <li>• Goal of the firm, responsibility of finance manager.</li> <li>• Provide the basic knowledge of agency problem</li> </ul>	<p><b>Unit-I: Financial Management: (8 Hours)</b></p> <p>1.1 Introduction to financial management: concept, evolution, importance, scope and functions of financial management, career opportunity in finance, changing role of finance and finance manager</p> <p>1.2 Major financial decisions (investment, financing, and dividend decisions)</p> <p>1.3 Financial goals, profit maximization, wealth maximization, implications of wealth maximization.</p> <p>1.4 Interrelationship of financial management with other functional areas</p> <p>1.5 Agency relationship: shareholders and managers, shareholders and creditors, possible areas of conflict and managerial incentives</p>

<ul style="list-style-type: none"> <li>• Understand the basic financial statements</li> <li>• Prepare the statement of cash flow</li> <li>• Understand the concept and uses of financial ratios</li> <li>• Compute different types of ratios</li> <li>• Prepare common size statements for financial analysis</li> </ul>	<p>1.6 Corporate social responsibility and business ethics</p> <p><b>Unit II: Financial Statements and Analysis (12)</b></p> <p>2.1. Financial Statements and Reports: The Four Key Financial Statements,</p> <p>2.2. Types of Ratio, Cautions about Using Ratio Analysis, Categories of Financial Ratios</p> <p><b>2.2.1.Liquidity Ratios:</b> Current Ratio, Quick (Acid-Test) Ratio</p> <p><b>2.2.2.Activity Ratios:</b> Inventory Turnover Average Collection Period Average Payment Period , Asset Turnover</p> <p><b>2.2.3.Capital structure Ratios:</b> Debt Ratio, Times Interest Earned Ratio, Fixed-Payment Coverage Ratio</p> <p><b>2.2.4.Profitability Ratios:</b> Gross Profit Margin, Operating Profit Margin, Net Profit Margin, Earning Power Ratio, Return on Total Assets (ROA), Return on Common Equity(ROE) DuPont System of Analysis,</p> <p><b>2.2.5.Market Ratios:</b> Price/Earnings (P/E) Ratio, Market/Book (M/B) Ratio , Common Size Analysis, Comparative Ratios</p> <p><b>2.3. Analyzing the Firm's Cash Flow</b> Depreciation Methods, Developing the Statement of Cash Flows Direct and Indirect method, Operating Cash Flow, Free Cash Flow</p>
<ul style="list-style-type: none"> <li>• Understand the relationship between risk and return.</li> <li>• Measuring risk and return by calculating expected return, standard deviation, and coefficient of variation of individual security and portfolio.</li> <li>• Describe the portfolio opportunity set and efficient set</li> <li>• Analyze the equilibrium price of security</li> <li>• Division of total risk into systematic and unsystematic components</li> <li>• Determine the required rate of return using CAPM</li> </ul>	<p><b>UNIT III : RISK AND RETURN THEORY(8)</b></p> <p>3.1.Defining Risk and Return</p> <p>3.2.Attitudes Toward Risk</p> <p>3.3.Risk and return of Individual asset</p> <p>3.4.Risk and Return in a Portfolio Context</p> <p>3.5.Portfolio Theory</p> <p>3.6. Portfolio opportunity set and efficient portfolio</p> <p>3.7.Selection of Optimal Portfolio</p> <p>3.8.The Capital-Asset Pricing Model (CAPM)</p>

<ul style="list-style-type: none"> <li>• Mechanics of compounding: how money grows over time when it is invested.</li> <li>• Determine the future or present value of a sum when there are non-annual compounding periods.</li> <li>• Discuss the relationship between compounding (future value) and bringing money back to the present (present value).</li> <li>• Define an ordinary annuity and calculate its compound or future value.</li> <li>• Differentiate between an ordinary annuity and an annuity due, and determine the future and present value of an annuity due.</li> <li>• Calculate the annual percentage yield or effective annual rate of interest and then explain how it differs from the nominal or stated interest rate.</li> </ul>	<p><b>Unit III : Time Value of Money: (15 Hours)</b></p> <p>3.1. Concept of time value of money, types of cash flows, concept of time line</p> <p>3.2. Future value of a single cash flow, annuity, perpetuity, continuous compounding,</p> <p>3.3 Present value – present value of a single cash flow, annuity, perpetuity, continuous discounting,</p> <p>3.4. Practical applications of compounding and present value techniques.</p>
<ul style="list-style-type: none"> <li>• Explain the meaning of valuation of different securities</li> <li>• Valuation of Preferred stock and different types of bond and calculation of their rate of return</li> <li>• Valuation of common stock using DCF and EVA method</li> </ul>	<p><b>Unit IV : Valuation of Bond and Stock (10 Hours)</b></p> <p>4.1. Concept of valuation of securities</p> <p>4.2. Bond: meaning, features, bond valuation and bond yields</p> <p>4.3. Preferred stock: meaning, features, valuation and yields</p> <p>4.4. Common stock: meaning , features, valuation and yields of common stock</p>
<ul style="list-style-type: none"> <li>• Explain the concept and significance of cost of capital</li> <li>• Enable learner to understand the different methods of calculating cost of capital</li> </ul>	<p><b>Unit V: Cost of Capital: (8 Hours)</b></p> <p>5.1. Meaning, and significance of cost of capital</p> <p>5.2. Specific cost of capital for various sources of finance</p> <p>    4.2.1. Cost of debt</p> <p>    4.2.2. Cost of preference shares</p> <p>    4.2.3. Cost of common stock.</p> <p>5.3. Weighted average cost of capital, book value Vs market value weight.</p> <p>5.5. Marginal cost of capital</p>
<ul style="list-style-type: none"> <li>• Explain the concept of capital budgeting decision</li> <li>• Identify relevant cash flows</li> <li>• Enable the learner to understand the different techniques of evaluation</li> </ul>	<p><b>Unit VI: Capital Expenditure Decisions (21)</b></p> <p>6.1. Meaning, need and significance of capital budgeting, objectives and process, understanding different types of projects and estimation of cash flows</p> <p>6.2. Techniques for decision making:</p> <p>    6.2.1. Non-discounted approaches: Payback period and Accounting rate of return method (need, importance, and computation)</p> <p>    6.2.2. Discounted cash flow approaches: Net present value,</p>

	<p>Profitability index, Internal rate of return, Modified internal rate of return and Discounted payback period (need, importance, and computation)</p> <p>6.3. NPV profile and cross over rate</p> <p>6.4. Selecting an appropriate technique, NPV VS IRR. Ranking of projects, capital rationing.</p>
<ul style="list-style-type: none"> <li>• Describe Capital structure</li> <li>• Describe features of Capital structure</li> <li>• Analyze the effect of capital structure on risk and return of shareholders Explain the factors affecting capital structure</li> <li>• Provide the basic knowledge of business and financial risk</li> <li>• Determination of DOL, DFL &amp; DCL.</li> </ul>	<p><b>Unit VII: Financing Decisions (6 Hours):</b></p> <p>7.1. Capital structure concept, Factors determining capital structure, liquidity and capital structure, profitability and capital structure, calculation of earnings per share.</p> <p>7.2. Leverages: Concept of business and financial risk, operating leverage, financial leverage and combined leverage</p>
<ul style="list-style-type: none"> <li>• Understand the concept of WCM,</li> <li>• Analyze the WCM Policies</li> <li>• Determination of Working Capital Cash Flow Cycle &amp; Operating Cycle</li> </ul>	<p><b>Unit VIII: Working Capital Management: (8)</b></p> <p>8.1. Fundamentals of working capital management, nature of working capital,</p> <p>8.2. Trade- off between profitability and risk, determining financing mix- hedging vs. Conservative approach trade- off between them.</p> <p>8.3. Determinants of working capital-</p> <p>8.4. Planning for working capital, temporary and permanent working capital,</p> <p>8.5. Working capital cash flow cycle, operating cycle.</p> <p>8.6. Financing current assets: strategies of financing (matching, conservative, and aggressive policies</p>
<ul style="list-style-type: none"> <li>• Understand the concept of cash Management</li> <li>• Analyze the Cash management Techniques and cash management models</li> <li>• Understand the concept of Account receivable management</li> <li>• Analyze and selection of credit policy</li> <li>• Understand the concept of Inventory Management</li> <li>• Analyze the Inventory control techniques and computation of EOQ, ROL, total cost.</li> </ul>	<p><b>Unit IX: Management of Current Assets: (18)</b></p> <p><b>9.1 Management of cash and marketable securities (7)</b>  Motives of holding cash, objectives of cash management, factors determining cash needs basic strategies in cash management, techniques of cash management, cash management models, and management of marketable securities.</p> <p><b>9.2 Account receivable management (5)</b>  Objectives, cost and benefits of receivables, credit policies, optimum credit policy, and aspects of credit policy: credit terms, credit standard, collection policies. Aging schedule.</p> <p><b>9.3 Inventory management (6)</b>  Objectives, cost and benefit of holding inventory, techniques of inventory management- ABC, JIT system, EOQ, Re-order point, Safety stock</p>



<ul style="list-style-type: none"> <li>• Understand the concept of dividend and its payment procedure</li> <li>• Explain the dividend payout scheme</li> <li>• Explain the factors affecting dividend</li> <li>• Explain three dividend models</li> </ul>	<p><b>Unit X: Dividend Decision: (6 Hours)</b></p> <p>10.1. Meaning, need and significance of dividends</p> <p>10.2. Dividend payment procedure</p> <p>10.3. Dividend payout scheme</p> <p>11.4. Types of dividends, stock split, reverse stock split, repurchase of stock</p> <p>10.5. Factors influencing dividend policy</p>
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## Basic Book and References:

### Basic text book

1. Brigham E. F, and Huston J. F; Fundamentals of Financial Management: Singapore Thamson South-western
2. Van Horne J.C; and Wachowicz J. M; Fundamentals of Financial Management: Prentice Hall of India, New Delhi.

### References:

1. Brealey R.A; Myers S. C; Principles of Corporate Finance. Tata McGraw Hill, New Delhi.
2. Brigham E.F, and Ehrhardt M.C; Financial Management –Text and Cases; Cengage Learning India Limited New Delhi
3. Brigham E.F, Gapenski L.C., and Ehrhardt M.C: Financial Management -Theory and Practice; Harcourt College Publishers, Singapore.
4. Gitman, Lawrence J; Principles of Managerial Finance. Pearson Education Asia, New Delhi..
5. Khan M.Y and Jain P.K.; Financial Management: Text and Problems; Tata McGraw Hill, New Delhi.
6. Pandey I. M; Financial Management: Vikas Publishing House, New Delhi.
7. Prasanna Chandra; Financial Management Theory and Practice: Tata McGraw Hill, New Delhi.
8. Ross, Stephen A., Westerfield, Randolph, and Jeffrey Jaffe, Corporate Finance, Tata McGraw Hill.
9. Van Home J.C: Financial Management and Policy; Prentice Hall of India, New Delhi.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Principles of Marketing**  
Course Code: **MGMT 321**  
Nature of the course: Theory  
Year: Second  
Level: BBS

Full marks: 100  
Pass marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. Course Description**

Marketing is the art and science of choosing target markets and getting, keeping, and growing customers through creating, delivering and communicating superior customer value. Marketing seek to meet organizational objectives by effectively satisfying customers in a dynamic environment. This course provides an overview of marketing processes and marketing principles and, provides students with the opportunity to apply the key concepts and principles to practical business situations.

**2. General Objectives**

The general objectives of the course are as follows:

- To acquaint the students to develop the basic concepts in marketing
- To develop basic knowledge of marketing.
- To develop the skill of the learners to use marketing concepts to make business decisions
- To enable the learners to know about consumer behaviour, marketing planning and control.
- To enable the students with the concept of brand, it's positioning and pricing strategies.
- To familiarize the students with current challenges and issues in marketing
- To make acquainted students about the latest trends in marketing
- To enable students to understand the influence of marketing forces and help them to expand marketing ability.
- Provide background knowledge to the students for concentration course on marketing.

**3. Specific Objectives and Course Contents**

Specific Objectives	Course Contents
<ul style="list-style-type: none"> <li>• Explain the basic concept, function and significance of marketing.</li> <li>• Explain the elements of marketing mix and principles of marketing</li> <li>• Discuss the functions of marketing</li> <li>• Describe marketing ethics and SR</li> </ul>	<p><b>Unit I: Marketing Introduction (8)</b></p> <p>1.1. Concept of marketing, selling v/s marketing, 1.2. Marketing concepts 1.3. Marketing mix, the elements of marketing mix. 1.4. Principles of marketing, 1.5. Functions of marketing manager. 1.6. Marketing ethics and social responsibility</p>
<ul style="list-style-type: none"> <li>• Describe the environmental factors that influence Marketing mix</li> <li>• Describe the concept, bases and requirement for effective</li> </ul>	<p><b>Unit II: Marketing Environment and Segmentation (10)</b></p> <p>2.1. Marketing environment concept 2.2. Micro and macro environment, 2.3. Nepalese marketing environment. 2.4. Market segmentation: Meaning, bases for consumer market segmentation, strategies of market segmentation,</p>

segmentation	<p>procedure for market segmentation, requirements for effective segmentation, bases for segmentation of industrial market.</p> <p>2.5. Concept of niche marketing.</p>
<ul style="list-style-type: none"> <li>• Define consumer behavior and</li> <li>• Analyze the importance of consumer behavior</li> <li>• Explain buying behaviour of household, institutional and industry consumers</li> <li>• Specify the participants in the buying process</li> <li>• Discuss the factors determining consumer behavior</li> <li>• Describe the organizational buying behaviour</li> </ul>	<p><b>Unit III : Consumer Behaviour (14)</b></p> <p>3.1. Concept of consumer behaviour,</p> <p>3.2. Importance of the study of consumer behaviour</p> <p>3.3. Buyer behaviour and consumption behaviour</p> <p>3.4. Stages of individual buying process: Need recognition, information search, evaluation of alternatives, purchase, post purchase</p> <p>3.5. Participants in the buying process: Initiator, influencer, decider, buyer, user</p> <p>3.6. Factors determining consumer behaviour: Economic, sociological, psychological</p> <p>3.7. Organizational buying behaviour</p> <p>3.7.1. Organizational buying process</p> <p>3.7.2. Factors influencing purchase (organizational and psychological factors).</p>
<ul style="list-style-type: none"> <li>• Explain the concept, objective and importance and problems of marketing planning</li> <li>• Describe Understand the concept, scope process, types and techniques of marketing planning</li> </ul>	<p><b>Unit IV: Marketing Planning and Control (8)</b></p> <p>4.1. Marketing planning</p> <p>4.1.1. Meaning, objectives, importance and components</p> <p>4.1.2. Problems in marketing planning.</p> <p>4.2. Marketing control</p> <p>4.2.1. Meaning, definition and scopes of marketing control</p> <p>4.2.2. Process, importance and essentials of marketing control, types and techniques of marketing control.</p>
<ul style="list-style-type: none"> <li>• Describe about MIS and components of MIS</li> <li>• Explain the concept, need and process of marketing research</li> </ul>	<p><b>Unit V: Marketing Information System (MIS) and Marketing Research (6)</b></p> <p>5.1. Concept, features and importance of MIS</p> <p>5.2. Components of marketing information system</p> <p>5.3. Concept, need and process of marketing research</p>
<ul style="list-style-type: none"> <li>• Explain the concept of product and product planning</li> <li>• Discuss PLC</li> <li>• Explain various forms of diversification</li> <li>• Describe the marketing strategies at different stages</li> </ul>	<p><b>Unit VI: Product Classification and Planning (14)</b></p> <p>6.1. Meaning and definition of product</p> <p>6.2. Product planning: Definition and elements of product planning, reasons for new product development, new product development process.</p> <p>6.3. Product life cycle (PLC)</p> <p>6.3.1. Meaning, stages in PLC and its implications</p> <p>6.3.2. Marketing strategies at different stages of PLC.</p> <p>6.4. Product diversification</p> <p>6.4.1. Various forms of diversification (diversification into related product line, into unrelated product line, product replacement).</p> <p>6.4.2. Product line and mix strategies.</p>

	6.5. Product positioning 6.5.1. Meaning and strategies 6.5.2. Quality standards: NS, ISO-9001 and ISO-14001.
<ul style="list-style-type: none"> <li>• Explain the meaning of brand and trade mark</li> <li>• Discuss advantages and disadvantages of branding and branding strategies</li> <li>• Identify the various branding elements</li> <li>• Explain the concept of brand loyalty</li> <li>• Explain the concept of brand positioning and its ways</li> <li>• Explain concept, functions and considerations of packaging</li> </ul>	<p style="text-align: right;"><b>Unit VII: Branding, Brand Positioning and Packaging (12)</b></p> 7.1. Meaning of brand and trade mark. 7.2. Advantages and limitations of branding. 7.3. Branding strategies (manufacturer's brand, distributor's brand, mixed brand). 7.4. Selection of brand name, 7.5. Brand strategies (multiple brand strategy, single brand product strategy, distributor's or private brand strategy, mixed brand strategy). 7.6. Concept of brand loyalty. 7.7. Brand positioning: Concept and ways to position the brand (use situations, emphasizing tangible benefits, linking to users, head on competitive positioning, life style positioning, benefits offered). 7.8. Packaging: Meaning and function, packaging concept and consideration (market consideration, economic consideration, product consideration), why changes occur in packaging, its policies (family, reuse, multiple, ecological packaging).
<ul style="list-style-type: none"> <li>• Describe the concept and objectives of pricing</li> <li>• Explain the methods of price determination</li> <li>• Analyze pricing policies</li> </ul>	<p style="text-align: right;"><b>Unit VIII: Pricing Strategies (14)</b></p> 8.1. Meaning and objective of pricing. 8.2. Methods of price determination (cost based, demand based, competition based) 8.3. Pricing policies: Skimming pricing, penetration pricing, pre-emptive pricing, extinction pricing, variable price policy, non-variable price policy, geographical price policies a) point-of-origin policy b) freight absorption policy, uniform delivered price, zonal price, base-point price policies, policies involving price differentials (discounts- trade, quantity and cash discount, rebate), leader price policy, psychological price policy.
<ul style="list-style-type: none"> <li>• Explain the concept objective and importance of promotion</li> <li>• Describe the meaning of promotion Mix</li> <li>• Explain advertising and compare advertising with sales promotion and publicity</li> <li>• Emphasis on the role of advertising with its limitations</li> <li>• Explain sales promotion with its role and major tools</li> </ul>	<p style="text-align: right;"><b>Unit IX: Promotion (10)</b></p> 9.1. Concept and objectives of promotion. Meaning of promotion Mix. 9.2. Advertising 9.2.1. Meaning, Features, Objectives. 9.2.2. Advertising v/s sales promotion. 9.2.3. Advertising v/s publicity. 9.2.4. Role of advertising. 9.2.5. Limitations of advertising. 9.3. Sales promotion 9.3.1. Nature and importance of sales promotion. 9.3.2. Role of sales promotion in marketing.

<ul style="list-style-type: none"> <li>• Explain the meaning and steps involved in personal selling</li> <li>• Describe the meaning and tools of public relations</li> </ul>	<p>9.3.3. Major tools of sales promotion.</p> <p>9.4. Personal selling</p> <p>9.4.1. Meaning and steps,</p> <p>9.5. Public relations</p> <p>9.5.1. Meaning and tools.</p>
<ul style="list-style-type: none"> <li>• Explain the concept of physical distribution with its components</li> <li>• Explain distribution policies</li> <li>• Describe the concept and types of distribution channels</li> <li>• Identify channel members and channel selection strategies</li> <li>• Analyze the impact of marketing environment</li> </ul>	<p><b>Unit X: Physical Distribution and Channels of Distribution</b> (12)</p> <p>10.1. Concept of physical distribution.</p> <p>10.2. Components of physical distribution.</p> <p>10.3. Distribution policies and strategies.</p> <p>10.4. Concept of distribution channels.</p> <p>10.5. Types of distribution channels.</p> <p>10.6. Types of intermediaries.</p> <p>10.7. Channel selection strategies.</p> <p>10.8. Impact of marketing environment on physical distribution and channel selection decision.</p>
<ul style="list-style-type: none"> <li>• Discuss the current trends in marketing</li> <li>• Discuss the impact of globalization on marketing</li> <li>• Explain different kinds of marketing</li> <li>• Describe rural marketing and retailing scenario in Nepal</li> </ul>	<p><b>Unit XI: Recent Trends in Marketing</b> (12)</p> <p>11.1. Marketing in the 21st Century,</p> <p>11.2. Impact of globalization,</p> <p>11.3. Direct marketing;</p> <p>11.4. Green marketing;</p> <p>11.5. E-business,</p> <p>11.6. Social marketing,</p> <p>11.7. Relationship marketing,</p> <p>11.8. Rural marketing;</p> <p>11.9. Rural marketing in Nepal</p> <p>11.10. Retailing scenario in Nepal.</p>

#### 4. Prescribed Books

##### Basic books

Kotler P., Wong V., Saunders J. and Armstrong, G. (2005), *Principles of Marketing*, Fourth European Edition, Prentice Hall: London.

Baines, P., Fill, C. and Page, K. (2008), *Marketing*, Oxford University Press: Oxford

##### Reference

Doyle P. (2002), *Principles of Marketing and Strategy*, Harlow, London, Pearson Education Ltd.

Jobber, D., (2007), *Principles and Practice of Marketing*, 5<sup>th</sup> edition, McGraw Hill: London.

Koirala, K. D., *Fundamentals of Marketing Decisions* (2005), MK publishers and distributors, Kathmandu.

Kotler P., Keller K., Koshy A., and Jha M., *Marketing Management: A South Asian Perspective*, 13<sup>th</sup> edition, Pearson education publication.

**FAR WESTERN UNIVERSITY**

**Faculty of Management**

**Bachelor of Business Studies (BBS)**

**Third Year**



**Syllabus**

**2075**

***Bheemdattnagar, Kanchanpur***

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Advance Accounting**

Course Code: **ACC 331**

Nature of the course: Theory

Year: Third

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period: 1 hr.

Total periods: 120

### 1. Course overview:

Advanced Accounting is a continuation of the study of financial accounting. The course is designed to provide an in-depth understanding of advanced financial accounting as well as developing knowledge of the professional standards and application of accounting principles to different practical situations. This course examines several accounting topics with which professional accountants should be familiar. The areas of coverage in this course include accounting of Partnerships, Business Combinations and consolidated financial statements, Accounting for branch, department, hire purchase, Royalty, consignment and joint venture.

### 2. Course Objectives:

- To equip the student with the techniques in advance accountancy.
- Understand amalgamation, consolidation and liquidation of company in its financial aspect and effects on financial record.
- Analyze accounting requirements for partnership formation, admission of new partner, retirement and death of old partner and dissolution of firm
- Understand and apply branch accounting, hire purchase and installment, Joint venture accounting, and Royalty account at an advanced level.

### Units and contents

#### **UNIT I: PRINCIPLES, CONCEPTS, CONVENTIONS OF ACCOUNTING AND ACCOUNTING STANDARDS (LH 2)**

1.1.Nature of Accounting Principles

1.2.Principles of Accounting

1.3.Conventions of Accounting

1.4.Accounting Standards

1.5.Need for Accounting Standards

1.6.An overview of International Accounting Standards - Generally Accepted Accounting Principles (GAAP)

#### **UNIT-II: ACCOUNTING FOR PARTNERSHIP (LH 25)**

2.1. Nature of Partnerships

2.2. Characteristics of Partnership

2.3. Partnership Deed

2.4. Legal Provisions in the Absence of Partnership Deed

#### **2.5. Partnership Accounts**

2.5.1. Capital Accounts (Fixed and Fluctuating Capitals)

2.5.2. Drawings accounts

- 2.5.3. Loan Accounts
- 2.5.4. Preparation of Final Accounts
- 2.6. Admission of a Partner**
- 2.6.1. Goodwill
- 2.6.2. Valuation of Goodwill
- 2.6.3. Need of Valuation of Goodwill
- 2.6.4. Methods of Valuation - Number of Years Purchase of Average Profits Method, Capitalization Method, Annuity Method, Super Profits Method.
- 2.7. Accounting Treatment of Goodwill and Admission of a partner.**
- 2.8. Accounting treatment of Retirement and Death of a Partner
- 2.9. Dissolution of Firm
- 2.9.1. Insolvency of a Partner and Decision of Garner VS Murrey
- 2.9.2. Insolvency of all Partners
- 2.9.3. Gradual Realization of Assets and Piecemeal Distribution
- 2.10. Sale of Business

### **UNIT III: ACCOUNTING FOR BUSINESS COMBINATION (LH 20)**

- 3.1. Amalgamation of Companies**
- 3.1.1. Concepts of Amalgamation of Companies
- 3.1.2. Types of Amalgamation
- 3.1.2.1. Amalgamation in the Nature of Merger
- 3.1.2.2. Amalgamation in the Nature of Purchase
- 3.1.3. Accounting for Amalgamation
- 3.1.3.1. Pooling of Interest Method and Purchase Method
- 3.1.4. Purchase Consideration
- 3.1.5. Closing the Books of the Vendor Company
- 3.1.6. Opening the Books of the Purchasing Company
- 3.1.7. Preparation of balance sheet of the new Company
- 3.1.8. Inter-Company Owing and Unrealized Profit
- 3.2. Absorption of Companies**
- 3.2.1. Concept of Absorption
- 3.2.2. Difference between Amalgamation and Absorption
- 3.2.3. Accounting for Absorption
- 3.2.4. Closing the Books of the Vendor Company
- 3.2.5. Recording the Transaction in the Books of the Purchasing Company
- 3.2.6. Preparation of Balance Sheet after the Absorption of the Company
- 3.2.7. Inter-Company Owing and Unrealized Profit
- 3.2.8. Inter - Company Holding.
- 3.3. External Reconstruction**
- 3.3.1. Concepts of External Reconstruction
- 3.3.2. Difference between Absorption and External Reconstruction
- 3.3.3. Accounting for External Reconstruction
- 3.3.4. Closing the Books of the Vendor Company
- 3.3.5. Opening the Books of the Purchasing Company
- 3.3.6. Preparation of Balance Sheet of the New Company.
- 3.4. Internal reconstruction**
- 3.4.1. Concepts of Internal Reconstruction



- 3.4.2. Difference between External Reconstruction and Internal Reconstruction
- 3.4.3. Forms of Internal Reconstruction
  - 3.4.3.1. Re-organization or Alteration of Share Capital
  - 3.4.3.2. Reduction of Share Capital & other liabilities.
- 3.4.4. Accounting for Internal Reconstruction
- 3.3.5. Preparation of balance Sheet of the Company after the Internal Reconstruction

**UNIT IV: HOLDING COMPANY ACCOUNTS (LH12)**

- 4.1. Meaning of Holding Company and Subsidiary Company
- 4.2. Preparation of the consolidated balance sheet
- 4.3. Analysis of profit of subsidiary company on consolidation
- 4.4. Cost of control or goodwill on consolidation
- 4.5. Inter-company debts
- 4.6. Unrealized profit
- 4.7. Inter - company holding (one subsidiary only).

**UNIT V: LIQUIDATION OF COMPANY (LH 6)**

- 5.1. Introduction
- 5.2. Types of liquidation
- 5.3. Procedure for liquidation as per Company Act.
- 5.4. Appointment of liquidator
- 5.5. Consequences of liquidating a company
- 5.6. Order of distributing the company's assets
- 5.7. Liquidators final statement of account

**UNIT VI: BRANCH ACCOUNTS (LH 15)**

- 6.1. Dependent branches (branch not keeping full system of accounting)
- 6.2. Head office Records in Connection with branches**
  - 6.2.1. Simple (Debtor) Method
    - 6.2.1.1. Branch which deals in cash and credit sales, and
    - 6.2.1.2. Branch which receives goods at invoice price
  - 6.2.2. Final Account System
  - 6.2.3. Stock and debtors system
  - 6.2.4. Wholesale Branch System
  - 6.2.5. Independent branch (Branch Keeping Full System of Accounting)
  - 6.2.6. Accounting at Head Office
    - 6.2.6.1. Incorporation of Branch Trial Balance and balance Sheet
  - 6.2.7. Accounting at Branch
  - 6.2.8. Special Entries and Inter Branch Transactions
  - 6.2.9. Foreign Branches
    - 6.2.8.1. Conversion of amount in to Head Office Currency and Preparation of Final Account of Foreign Branch.

**UNIT VII: DEPARTMENTAL ACCOUNTS (LH 8)**

- 7.1. Meaning and Objectives of Departmental Accounts
- 7.2. Differences between Departmental Accounts and Branch Accounts
- 7.3. Apportionment of Common Expenses among different Departments
- 7.4. Preparation of Departmental Trading and Profit and Loss Accounts
- 7.5. Preparation of Balance Sheets
- 7.6. Treatment of Inter Departmental Transfer at Cost or Selling Price
- 7.7. Treatment of Expenses that cannot be allocated.

**UNIT VIII: HIRE PURCHASE AND INSTALLMENT PURCHASE SYSTEM (LH 10)**

- 8.1. Meaning and Characteristics of Hire Purchase System
- 8.2. Hire Purchase v/s Sale
- 8.3. Calculation of interest
- 8.4. Accounting records in the books of Hire Purchaser and Hire Vendor
- 8.5. Treatment of Default in Payment and Repossession
- 8.6. Meaning and Characteristics of Installment Purchase System
- 8.7. Difference between Hire purchase and Installment purchase systems
- 8.8. Accounting Treatment in the books of Purchaser and Vendor

**UNIT X: ROYALTY ACCOUNTS INCLUDING SUB-LEASE (LH 10)**

- 10.1 Meaning of Royalty
- 10.2. Minimum Rent
- 10.3. Short Workings
- 10.4. Recoupment of Short Workings,
- 10.5. Preparation of Journal Entries and Ledger Accounts in the books of Lessor and Lessee

**UNIT XI: JOINT VENTURE (10 HOURS)**

- 11.1. Meaning and Purposes
- 11.2. Joint Venture v/s Consignment
- 11.3. Joint Venture v/s Partnership
- 11.4. Methods of Maintaining Accounts
  - 11.4.1. Separate Set of Accounts (Joint Bank System)
  - 11.4.1. Recording of all Joint Venture Transactions in the Books of each of the Ventures.

**UNIT XII: HUMAN RESOURCE AND SOCIAL RESPONSIBILITY ACCOUNTING (LH 2)**

- 12.1. Human resource accounting
  - 12.1.1. Definition
  - 12.1.2. Objectives and Approaches
  - 12.1.3. Assumptions
  - 12.1.4. Advantages, limitations of HRA
- 12.2. Social Responsibility Accounting:
  - 12.2.1. Meaning

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| <ul style="list-style-type: none"><li>12.2.2. Nature of social responsibility</li><li>12.2.3. Need and Objectives Social Responsibility</li><li>12.2.4. Accounting Concept of social responsibility</li><li>12.2.5. Indicators of Social Performance</li></ul> |
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**Books**

1. Principles and Practice of Accounting R.L. Gupta & V.K. Gupta Sulthan Chand & sons
2. Corporate Accounting – P.C. Tulasian TATA McGraw Hill Co
3. Accountancy I S.P. Jain & K.L. Narang Kalyani Publishers
4. Introduction to Accountancy T.S. Grewal S. Chand and CO

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Human Resource Management**  
Course Code: **MGMT 333**  
Nature of the course: Theory  
Year: Third  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. Course Introduction**

The course is designed for BBS students. It intends to provide the basic framework of human resources and its management. In the globalized market HRM is important to achieve sustainable competitive advantage and organizational effectiveness.

The course emphasizes on different aspects of human resource management in order to make students familiarize with the concept of human resource management. The course covers the context of human resource and different functions like human resource planning, recruitment, selection, training, development and performance evaluation and compensation. It further deals with the concept of labour relations, unionism, collective bargaining, labour disputes and grievances. The knowledge of human resource management will support students in future to make decisions regarding human resources.

**2. General Objectives**

- To acquaint the students with basic concept of Human Resource Management
- To familiarize students with the HRM Context and changing role of HRM
- To make learners able to understand the concept of job analysis and job design
- To acquaint the learners about different staffing functions
- To enable students to know the concept of labour relations

**3. Specific Objectives**

Specific Objectives	Course contents
<ul style="list-style-type: none"> <li>• Explain the concept of HRM</li> <li>• Describe features, functions, and challenges of HRM</li> <li>• Explain HRM system and discuss the models of HRM</li> <li>• Summarize the evolution of HRM</li> <li>• Discuss about the growing interest in HRM and changing role of managers</li> <li>• Compare HRM with Personnel management</li> </ul>	Unit I : Human Resource Management (12) 1.1. Define HRM 1.2. Features of HRM 1.3. Objectives of HRM 1.4. Why is HRM important to all managers? 1.5. HRM Models 1.6. Evolution of HRM 1.7. HRM outcomes 1.8. Challenges of HRM 1.9. Changing role of HR managers 1.10. HRM concept in Nepalese organizations

<ul style="list-style-type: none"> <li>• Discuss the Environmental factors of HRM and how they affect HRM decisions</li> </ul>	Unit II : Context of HRM (10) 2.1 Components of HRM context 2.2 Internal forces 2.3 External forces 2.4 Changing role of HRM in Nepalese Organizations
<ul style="list-style-type: none"> <li>• Explain the concept, nature and need of HR planning</li> <li>• Discuss on the techniques of forecasting HR demand and supply</li> </ul>	Unit III : Human Resource Planning (10) 3.1 Concept of HR Planning 3.2 Characteristics of HR planning 3.3 Need of HR Planning 3.4 Techniques of forecasting Human Resource demand and supply 3.5 Concept of succession planning 3.6 Human resource planning in Nepal
<ul style="list-style-type: none"> <li>• Explain the concept and nature and process of job analysis</li> <li>• Identify the methods of collecting job data</li> <li>• Explain the concept of job design</li> <li>• Discuss the factors affecting job design</li> <li>• Discuss job design approaches</li> </ul>	Unit IV : Job Analysis and Job design (10) 4.1 Concept and nature of job analysis 4.2 Purposes of job analysis 4.3 Methods of collecting job data 4.4 Problems with job analysis 4.5 Job description and job specification 4.6 Concept of job design 4.7 Factors affecting job design 4.8 Job design approaches
<ul style="list-style-type: none"> <li>• Define recruitment and explain the objectives, process and importance of recruitment</li> <li>• Discuss the factors governing recruitment and sources of recruitment</li> <li>• Explain the concept, nature and process of selection and barriers of effective selection</li> <li>• Explain orientation and socialization</li> </ul>	Unit V : Recruitment, Selection and Socialization (12) 5.1 Defining recruitment 5.2 Objectives and importance of recruitment 5.3 Recruitment process 5.4 Factors governing recruitment 5.5. Sources of recruitment 5.6 Concept, nature and process of selection 5.7 Barriers of effective selection 5.8 Orientation: Concept and need 5.9 Socialization: Purposes of socialization and socialization for new employees 5.10 Recruitment, selection and socialization in Nepal
<ul style="list-style-type: none"> <li>• Explain the concept of training</li> <li>• Describe how to determine the training needs</li> <li>• Explain the methods of training</li> <li>• Discuss the issues and challenges of training</li> <li>• Explain the elements of effective training</li> <li>• Explain the concept, objectives and methods of management development</li> </ul>	Unit VI : Employee Training and Management Development (10) 6.1 Concept of training 6.2 Determining training needs, methods of training : On the Job and Off the Job 6.3 Issues and challenges of training 6.4 How to make training effective? 6.5 Evaluating training effectiveness 6.5 Concept of management development 6.6 Objectives and methods of management development
<ul style="list-style-type: none"> <li>• Explain the concept, methods and</li> </ul>	Unit VII :Performance Appraisal and Compensation(10)

<p>challenges of performance evaluation</p> <ul style="list-style-type: none"> <li>• Discuss the effective performance evaluation system</li> <li>• Explain the concept, types and objectives of compensation</li> </ul>	<p>7.1 Concept of performance appraisal  7.2 Performance appraisal methods  7.3 Challenges to effective performance appraisal  7.4 Effective performance appraisal system  7.5 Concept of compensation  7.6 Determinants of compensation  7.7 Current trends in compensation</p>
<ul style="list-style-type: none"> <li>• Explain the concept and approaches</li> <li>• Discuss Unionism</li> <li>• Describe the purposes and types of collective bargaining</li> <li>• Discuss labour disputes, its settlement and grievances</li> </ul>	<p>Unit VIII : Labour/Industrial Relations (10)</p> <p>8.1 Concept of labour/industrial relations  8.2 Approaches of labour relations  8.3 Unionism  8.4 What is collective bargaining?  8.5 Labour disputes and its settlement  8.6 Labour relations in Nepalese organizations</p>
<ul style="list-style-type: none"> <li>• Explain the concept of employee grievances and its handling</li> </ul>	<p>Unit IX : Employee Grievances (6)</p> <p>9.1 Concept of employee grievances  9.2 Causes of grievances  9.3 Guidelines for handling Grievances</p>

### Prescribed Books

Garry Desseler, 6<sup>th</sup> edition Human Resource Management, 12<sup>th</sup> edition, Pearson Education Inc, Prentice Hall

Garry Desseler, and Biju Varkkey, Human Resource Management, 12<sup>th</sup> edition, Pearson Education Inc, Prentice Hall

Stephen Robbins,

John Bratton and Jeffrey Gold, Human Resource Management, Theory and Practice, 2<sup>nd</sup> edition, MacMillan Press Ltd.

Miechal Armstrong

Bibhuti Bhusan. Mahapatra, Human Resource Management, 2010, New Age International Publishers, India

John Stredwick, An Introduction to Human Resource Management, 2<sup>nd</sup> edition, Elsevier Butterworth Heinemann Publications

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Cost and Management Accounting**

Course Code: **MGMT 335**

Nature of the course: Theory

Year: Third

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period: 1 hr.

Total periods: 120

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### 1. Course Introduction

The course aims to provide the student with an understanding of concept, tools and techniques of cost and management accounting together with applying the management accounting tools and techniques for planning, controlling and decision making and to develop the Student's capacity to analyze the financial and cost report for the managerial perspective.

**Course objective:** The objective of this course is to acquaint students with the accounting concept, tools and techniques for managerial decisions.

- Explain the nature and purpose of cost and management accounting
- Describe costs by classification
- Explain and apply cost accounting techniques
- Perform cost accounting functions using the various costing methods.
- Use management accounting techniques to make and support decision-making.
- Advise Management on business decisions based on cost and management accounting concepts.

### 2. Contents in detail

Learning Objectives	Units and contents
1. Understand the concept of Financial Accounting, Cost Accounting and Management Accounting. 2. Understand the objectives, scope and importance of cost accounting and management accounting. 3. Describe the relationship of cost accounting to financial and management accounting.	<b>Unit- I: Conceptual Foundation (3)</b> <b>Financial Accounting</b> 1.1 Concept of Financial Accounting 1.2 Limitations of financial accounting <b>Cost Accounting</b> 1.3 Concept of Cost Accounting 1.4 Objective of Cost Accounting 1.5 The role and functions of Cost Accountants 1.6 Scope of Cost Accounting 1.7 Limitations of Cost Accounting <b>Management Accounting</b> 1.8 Concept of Management Accounting 1.9 Functions of Management Accounting 1.10 Role of Management Accounting 1.11 Scope of Management Accounting 1.12 Limitations of Management Accounting 1.13 Cost accounting Management Accounting, and Financial Accounting

<ol style="list-style-type: none"> <li>1. Acquaint student to define and illustrate cost and cost objects</li> <li>2. Explain why it is necessary to distinguish cost in different way</li> <li>3. Understand the high- low method and method of least square of cost segregation.</li> <li>4. Estimate of cost for different level of activity</li> </ol>	<p><b>Unit- I: COST TERMS AND CONCEPTS (3)</b></p> <ol style="list-style-type: none"> <li>2.1 Cost Objects and Cost Terminology</li> <li>2.2 Classification of Cost: <ol style="list-style-type: none"> <li>2.2.1. On the basis of Function</li> <li>2.2.2. On the basis of Elements of Cost</li> <li>2.2.3. On the basis of Cost Centre</li> <li>2.2.4. On the basis of Cost Behavior</li> <li>2.2.5. On the basis of Managerial Decision Making</li> <li>2.2.6. On the basis of Controllability</li> </ol> </li> <li>2.3 Cost Segregation and Cost Estimation</li> </ol>
<ol style="list-style-type: none"> <li>1. Acquaint student to apply inventory management techniques for decision making.</li> <li>2. Determine different inventory levels</li> <li>3. Determine the economic-order quantity (EOQ) using algebraic, diagrammatic and trial and error method</li> <li>4. Understand materials requirements planning (MRP)</li> <li>5. Identify the features and benefits of a just-in-time inventory system</li> <li>6. Describe different methods used in inventory control</li> </ol>	<p><b>UNIT III: ACCOUNTING FOR INVENTORY MANAGEMENT (8)</b></p> <ol style="list-style-type: none"> <li>3.1. Concept of Inventory Management</li> <li>3.2. Objectives of Holding Inventory</li> <li>3.3. Inventory Levels <ol style="list-style-type: none"> <li>3.3.1. Reorder Level</li> <li>3.3.2. Minimum level</li> <li>3.3.3. Maximum Level</li> <li>3.3.4. Average Stock level</li> </ol> </li> <li>3.4. Relevant Costs for Quantitative Models under Conditions of Certainty</li> <li>3.5. Economic Order Quantity</li> <li>3.6. Materials Requirement Planning</li> <li>3.7. Purchase Requisition</li> <li>3.8 Control of Stocks through Classification</li> <li>3.9. Just-in-Time Systems</li> <li>3.10. Stock Control through ABC Analysis</li> <li>3.11. Perpetual Inventory System</li> <li>3.12. Two Bin Card</li> </ol>
<ol style="list-style-type: none"> <li>1. Acquaint student to understand the concept of labour</li> <li>2. Distinguish between the features of time rate and piece-rate plans.</li> <li>3. Calculate the remuneration under non incentive and incentive wage plans</li> <li>4. Determine wages under Halsey, Rowan, Taylor and Gantt premium plans and group bonus scheme</li> <li>5. Understand the accounting process for labor costs and payroll</li> <li>6. Understand the causes and prevention of labour turnover</li> <li>7. Measurement of labour turnover using separation, replacement and flux method</li> <li>8. Calculate cost of labour turnover</li> <li>9. Specify procedures for controlling labor costs.</li> </ol>	<p><b>UNIT IV: ACCOUNTING FOR LABOUR (10)</b></p> <p><b>4.1. Labour cost and Control</b></p> <ol style="list-style-type: none"> <li>4.1.1. Concept of Labour Cost</li> <li>4.1.2. Control over Labour Cost</li> </ol> <p><b>4.2. Remuneration and Incentives</b></p> <ol style="list-style-type: none"> <li>4.2.1. Essential Features of Good Wage System</li> <li>4.2.2. System of Wage Payment <ol style="list-style-type: none"> <li>4.2.2.1 Time Rate Systems</li> <li>4.2.2.2. Piece Rate System</li> <li>4.2.2.3. Premium and Bonus Plans</li> <li>4.2.2.4. Group Bonus Schemes</li> <li>4.2.2.5. Co-Partnership and Profit Sharing Scheme</li> </ol> </li> </ol> <p><b>4.3. Accounting, Control and Reporting</b></p> <ol style="list-style-type: none"> <li>4.3.1. Types of Labour</li> <li>4.3.2. Pay-Roll Department</li> <li>4.3.3. Prevention of Fraud in Wage Payment</li> <li>4.3.4. Idle Time</li> <li>4.3.5. Overtime Treatment of Wages for Work on</li> </ol>



	<p>Holiday</p> <p>4.3.6. Leave Money and Other Fringe Benefits</p> <p>4.3.7. Labour Turnover</p> <p>4.3.8. Causes and Prevention of Labour Turnover</p> <p>4.3.9. Measurement of Labour Turnover</p> <p>4.3.10. Cost of Labour Turn over</p>
<ol style="list-style-type: none"> <li>1. Understand the concept and classification of overhead</li> <li>2. Understand the concept of allocation, apportionment and absorption of overhead</li> <li>3. Distribute service department factory overhead costs to production departments.</li> <li>4. Apply factory overhead using predetermined rates.</li> <li>5. Determine of overhead absorption rate using MHR, DLHR, Direct material, direct labour and Prime cost</li> </ol>	<p><b>UNIT V: ACCOUNTING FOR OVERHEADS (6)</b></p> <p>4.1 Overhead Classification</p> <p>5.1.1. Definition of Overhead</p> <p>5.1.2. Classification of Overhead Costs</p> <p>5.2. Overhead Accounting</p> <p>5.2.1. Steps in Overhead Accounting:</p> <p>5.2.1.1. Allocation and Apportionment of Overheads (Departmentalization of Overhead)</p> <p>5.2.1.2. Reapportionment of Overhead</p> <p>5.2.1.3. Absorption of Overhead</p> <p>5.3. Overhead Control</p>
<ol style="list-style-type: none"> <li>1. Distinguish between simple and activity-based costing systems</li> <li>2. Acquaint students to understand and the application of activity based costing</li> <li>3. Understand to use ABC to – apportion overheads– calculate the total cost of a unit – demonstrate the effect of different methods of overhead absorption on profit</li> <li>4. Apply ABC costing techniques to make business decisions.</li> <li>5. Identify and explain its uses and limitations.</li> </ol>	<p><b>Unit VI: ACTIVITY-BASED COSTING (8)</b></p> <p>6.1. Concept</p> <p>6.2. Limitations of Traditional Overhead Absorption System</p> <p>6.3. Procedures of Absorption of Overhead Cost under Activity Base Costing Technique,</p> <p>6.4. Ascertainment of Cost and Profit under ABC Technique</p> <p>6.5. Activity based Profitability Analysis</p> <p>6.6. Benefits and Limitations of Activity Based Costing System.</p>
<ol style="list-style-type: none"> <li>1. Understand the concept and feature of job order costing.</li> <li>2. Preparation of job order cost sheet showing nonmanufacturing costs</li> <li>3. Determination of cost of goods manufactured and cost of goods sold and computation of unit costs,</li> <li>4. Describe the approaches to evaluating and implementing job costing systems</li> <li>5. Understand the concept of contract costing</li> <li>6. Prepare contract account for uncompleted and completed contracts</li> <li>7. Prepare Work-in -Progress account, contractee's account and Balance sheet</li> <li>8. Understand the concept and scope of service costing</li> <li>9. Prepare operating cost sheet showing total cost , cost per unit and profit</li> </ol>	<p><b>UNIT XIII: SPECIFIC ORDER COSTING (22)</b></p> <p><b>8.1. JOB ORDER COSTING</b></p> <p>8.1.1. Features of Job Order Costing</p> <p>8.1.2. Procedure of Job Order Costing</p> <p>8.1.3. Measuring Direct Material, Direct Labour and Manufacturing Overhead Cost</p> <p>8.1.4. Accounting for Job Order: Preparation of Job Order Cost Sheet</p> <p>8.1.5. Computation of Unit Costs,</p> <p>8.1.6. Job Order Costing in Service Companies</p> <p><b>8.2. Contract Costing</b></p> <p>8.2.1. Concept</p> <p>8.2.2. Features,</p> <p>8.2.3. Types of Contract Costing,</p> <p>8.2.4. Cost-Plus Contract,</p> <p>8.2.5. Escalation Clause</p> <p>8.2.6. Contract Price</p> <p>8.2.7. Certified Work,</p> <p>8.2.8. Uncertified Work,</p> <p>8.2.9. Retention Money,</p>

	<p>8.2.10. Accounting Procedure for Incomplete and, Completed Contracts</p> <p>8.2.11. Placement of Important Items in the Balance-Sheet of Contract.</p> <p><b>8.3. Service/ operating costing:</b></p> <p>8.3.1. Concept and Scope of Operating Costing;</p> <p>8.3.2. Preparation of Cost Sheet</p> <p style="padding-left: 40px;">Transport Costing</p> <p style="padding-left: 40px;">Hospital and Hotel Costing</p> <p style="padding-left: 40px;">Restaurant Services Costing</p> <p style="padding-left: 40px;">Canteen Costing</p> <p>8.3.3. Limitations of Service Costing</p>
<ol style="list-style-type: none"> <li>1. Identify the situations in which process-costing systems are appropriate</li> <li>2. Distinguish job costing from process costing</li> <li>3. Understand the basic concepts of process-costing and compute average unit costs</li> <li>4. Apply process-costing methods to situations with transferred-in costs</li> <li>5. Understand the Account for units lost and gained in the production process.</li> <li>6. Apply process-costing methods to situations with Output is transferred at market price and determine unrealized profit</li> <li>7. Distinguish joint products from byproducts and explain why joint costs are allocated to individual product</li> <li>8. Identify the split off point in a joint cost Situation. Allocate joint costs using four methods.</li> <li>9. Accounting for byproducts using two methods</li> </ol>	<p><b>UNIT IX: PROCESS COSTING-</b> (14)</p> <p>9.1. Objective of a Process Costing System</p> <p>9.2. Characteristics of a Process Costing System</p> <p>9.3. Comparison between Job Costing and Process Costing</p> <p>9.4. Advantages and Disadvantages,</p> <p>9.5. Application of Process Costing,</p> <p>9.6. Process Costing when all Output is Fully Complete</p> <p>9.7. Process Costing with Ending Work in Progress Partially Complete</p> <p>9.8. Normal And Abnormal Gain and Wastage</p> <p>9.9. Inter Process profit</p> <p>9.10. Valuation of Beginning and Ending Work in Progress of Uncompleted Units.</p> <p>9.11. Reserve for Unrealized Profit</p> <p><b>9.12. JOINT AND BY-PRODUCT COSTING</b></p> <p>9.12.1. Joint Products and By-Products</p> <p>9.12.2. Methods of Allocating Joint Costs</p> <p>9.12.3. Accounting for By-Products</p>
<ol style="list-style-type: none"> <li>1. Identify what distinguishes variable costing from absorption costing</li> <li>2. Identify and explain the uses and limitations of absorption costing.</li> <li>3. Compute income under absorption costing and variable costing,</li> <li>4. Describe the capacity concepts that can be used in absorption costing</li> <li>5. Examine the key factors in choosing a capacity level to compute the budgeted fixed manufacturing cost rate</li> <li>6. Understand the utilization of capacity and its effect on stock value and profitability</li> <li>7. Calculate and explain the causes of under absorption and over absorption of overheads</li> </ol>	<p><b>UNIT X: MARGINAL COSTING AND BREAK EVEN ANALYSIS (14)</b></p> <p><b>10.1. Absorption costing:</b></p> <p>10.1.1. Concept</p> <p>10.1.2. Importance</p> <p>10.1.3. Income Statement under Absorption Costing</p> <p>10.1.4. Normal Capacity and Fixed Manufacturing Overhead Rate,</p> <p>10.1.5. Treatment of Opening and Closing stock,</p> <p>10.1.6. Over and Under Absorption of Fixed Manufacturing Overhead</p> <p>10.1.7. Limitations.</p> <p><b>10.2. Variable costing:</b></p> <p>10.2.1. Concept</p> <p>10.2.2. Importance</p> <p>10.2.3. Income Statement under Variable Costing</p>

<ol style="list-style-type: none"> <li>8. Prepare a statement reconciling the reported profit using marginal costing and absorption costing and explain the difference in income</li> <li>9. Explain the features of cost-volume profit (CVP) analysis</li> <li>10. Understand and calculate Profit volume ratio</li> <li>11. Evaluate and interpret cost–volume–profit data and its value as a support for management decision making</li> <li>12. Calculate the contribution of a product</li> <li>13. Calculate the break-even point using three methods, contribution to sales ratio and margin of safety</li> <li>14. Determine output level needed to achieve a target operating income</li> <li>15. Understand how income taxes affect CVP analysis</li> </ol>	<ol style="list-style-type: none"> <li>10.2.4. Reconciliation of Profit between Absorption and Variable Costing Techniques Showing the Causes of Difference.</li> <li>10.2.5. Limitations of Variable Costing.</li> </ol> <p><b>10.3. Cost Volume Profit Analysis</b></p> <ol style="list-style-type: none"> <li>10.3.1 Essentials of CVP Analysis</li> <li>10.3.2 Assumptions of CVP Analysis</li> <li>10.3.3. Contribution Margin Analysis,</li> <li>10.3.4. Contribution Margin Ratio</li> <li>10.3.5. Cost Volume Ratio</li> <li>10.3.5. Break- Even Analysis under Constant Underlying Situations: <ul style="list-style-type: none"> <li>Graphical Method</li> <li>Formula Method</li> </ul> </li> <li>10.3.6. Margin of Safety</li> <li>10.3.7. Determination of Selling Price for Realizing Desired Profit.</li> </ol>
<ol style="list-style-type: none"> <li>1. Explain the nature, role and limitations of standard costing.</li> <li>2. Discuss the advantages and disadvantages of a standard costing system</li> <li>3. Explain why standard costs are often used in variance analysis</li> <li>4. Determine procedures for recording standard costs.</li> <li>5. Compute and analyze Material and Labour variances.</li> <li>6. Examine and interpret variances</li> <li>7. Understand how managers use variances</li> </ol>	<p><b>UNIT XI: STANDARD COSTING AND VARIANCE ANALYSIS (10)</b></p> <ol style="list-style-type: none"> <li>11.1. Concept,</li> <li>11.2. Purposes of Standard Costing</li> <li>11.3. Difference between Standard and Budget</li> <li>11.4. Advantages and Limitations.</li> <li>11.5. Establishing Cost Standards</li> </ol> <p><b>11.6. Variance analysis</b></p> <p><b>11.7. Material variances</b></p> <ol style="list-style-type: none"> <li>11.7.1. Concept</li> <li>11.7.2. Material Cost Variance</li> <li>11.7.3. Material Price Variance</li> <li>11.7.4. Material Usage Variance</li> <li>11.7.5. Material Mix Variance</li> <li>11.7.6. Material Yield Variance</li> </ol> <p><b>11.8. Labour/Wage Variance</b></p> <ol style="list-style-type: none"> <li>11.8.1. Concept</li> <li>11.8.2. Labour Cost Variance</li> <li>11.8.3. Labour Rate variance</li> <li>11.8.4. Labour Efficiency Variance</li> <li>11.8.5. Labour Mix Variance</li> <li>11.8.6. Idle Time Variance</li> <li>11.8.7. Labour Yield Variance</li> </ol>
<ol style="list-style-type: none"> <li>1. Describe the meaning, purpose and benefits of business budget</li> <li>2. Discuss the advantages and disadvantages of budgets to an organization</li> <li>3. Recognize the effect of limiting factors on the preparation of budgets</li> <li>4. Acquaint student to prepare business</li> </ol>	<p><b>UNIT XII: THE BUDGETING PROCESS (13)</b></p> <ol style="list-style-type: none"> <li>12.1. Relationship between Budgeting and Long-term Planning</li> <li>12.2. The Functions of Budgets</li> <li>12.3. Stages in the Budgeting Process</li> <li>12.4. Sales Budget</li> <li>12.5. Production Budget and Budgeted Stock Levels</li> </ol>

budgets	12.6. Direct Materials Usage Budget 12.7. Direct Materials Purchase Budget 12.8. Direct Labour Budget 12.9. Factory Overhead Budget 12.9 Selling and Administration Budget 12.10. Cash Budgets 12.11. Criticisms of Budgeting
1. Examine the concept of a flexible budget and learn how to develop it 2. Understanding the use of flexible budget in planning and controlling 3. Develop variable overhead cost rate 4. Compute and interpret the three overhead variances	<b>UNIT-XIII: FLEXIBLE BUDGETS AND OVERHEAD COST VARIANCE (5)</b> 13.1 Flexible Budget 13.2. Limitations of Static Budget 13.3 Planning of Variable and Fixed Overhead Cost 13.4. Need of Flexible Budget for Managerial Decisions 13.5.Preparation of Flexible Budget 13.6. Analysis of Three Overhead Cost Variance
1. Understand the concept of Value analysis 2. Use the value analysis technique developed by Lawrence D. Miles 3. Understand cost control and cost reduction techniques 4. Apply cost control and cost reduction techniques in managerial decision making 5. Understand the concept of productivity 6. Measurement of overall productivity and factorial productivity	<b>UNIT XIV: VALUE ANALYSIS, COST CONTROL AND COST REDUCTION (4)</b> <b>14.1. Value and Value analysis:</b> 14.1.1. Relationship between Value, Function and Cost 14.1.2. Procedure of Value Analysis 14.1.3. Techniques of Value Analysis <b>14.2. Cost Control and Cost Reduction:</b> 14.2.1. Cost Control Techniques 14.2.2. Techniques of Cost Reduction 14.2.3. Steps in Cost Reduction 14.5. Limitations of Cost Reduction 14.2.2. Distinction between Cost Control and Cost Reduction <b>14.3. Productivity:</b> 14.3.1. Concept of Productivity 14.3.2. Measurement of Productivity 14.3.3. Improving Productivity

### Books

1. Garrison, R.H. & Noreen, E.W., *Managerial Accounting*, McGraw-Hill Companies, Inc. Lal, Jawahar, *Cost Accounting*, Tata McGraw Hill Co., New Delhi
2. Lucy, T., *Cost Accounting*, Tata McGraw Hill Co., New Delhi.
3. Lynch & Williamson, *Accounting for Management Planning & Control*, Tata McGraw Hill Co.
4. Nigam, R.S. Narang, S.P. & Sehagal, B.C., *Principles and Practice of Cost Account*, S. Chand and Co., NewDelhi.
5. Horngren CT, Foster G, Datar SM, Rajan MV and, Itner C, Cost accounting: A managerial emphasis, Pearson prentice Hall of India.
6. Lynch RM & Williamson, accounting for Management, Tata Mc Graw-hill India.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Business Research Methods**  
Course Code: **MGMT 334**  
Nature of the course: Theory  
Year: Third  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. COURSE OVERVIEW:**

Business Research Methods course is designed for the students of BBA to learn how research is used to support management decision making and to develop understanding of variety of research methodologies and basic skill in applying them. This course is designed to introduce students to the research methods that can be used in most business research and other research related to the social phenomenon. The topics covered includes, nature, scope, and significance of business research, research process, ethics in research, research design, measurement, sampling, data collection, analysis, interpretation and report writing.

**2. LEARNING OBJECTIVES**

- Explain how research contributes to business decisions and practices.
- Understand emerging paradigms in research
- Understand business research methods
- Discuss the ethical issues applicable to business research.
- Describe the research process in detail
- Describe the role of theory in the business research process.
- Explain the nature of measurement and characteristics of a sound measurement
- Describe the scales that can be used in the research process
- Describe types of sampling and differentiate the probability sampling from the non-probability sampling
- Present research data through analysis using histograms, polygons, and other techniques
- Interpret and summarize data in terms of descriptive and inferential statistics
- Understand to prepare a research proposal, research report and project report.
- Present a project report at the end of semester

<ul style="list-style-type: none"> <li>• Acquaint students to know what research is and its significance in business decision making.</li> <li>• Understand new paradigms in research</li> <li>• Understand the concept, role and types of business research.</li> <li>• Know the ethical aspects of business</li> </ul>	<p><b>UNIT I: Introduction to research</b></p> <p>1.1. Meaning of research</p> <p>1.2. Nature and types of research</p> <p>1.3. Scientific research</p> <p style="padding-left: 20px;">1.3.1. Scientific research process</p> <p style="padding-left: 20px;">1.3.2. Characteristics of scientific research</p> <p>1.4. Emerging paradigms in research</p> <p>1.5. Quantities and qualitative approach to research</p>
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<p>research.</p> <ul style="list-style-type: none"> <li>• Understand the types of business research</li> <li>• Understand the importance of business research in decision making.</li> </ul>	<p>1.6. Business research  1.7. Role of business research  1.8. Types of business research  1.9. Value of business research for decision making  1.10. Ethical considerations in business research</p>
<ul style="list-style-type: none"> <li>• Understand the concept, steps and steps in literature review</li> <li>• Understand the sources of literature</li> <li>• Know the guidelines for presenting literature review.</li> <li>• Understand how to search literature in internet.</li> <li>• Understand the theoretical review and its format</li> </ul>	<p><b>UNIT II Literature review and theoretical Frame work</b></p> <p>2.1. Meaning  2.2. Purpose and steps in literature review  2.3. Searching, obtaining and evaluation the literature  2.4. Literature search through internet  2.5. Format and guidelines for presenting the literature review  2.6. Theoretical review  2.6.1. Concept  2.6.2. Format  2.6.3. Research and theory – deduction and induction</p>
<ul style="list-style-type: none"> <li>• Distinguish research problem from research hypothesis</li> <li>• Write well understood research questions and hypothesis.</li> <li>• Understand research questions and hypotheses in research reports.</li> <li>• Formulate a research problem and hypothesis</li> </ul>	<p><b>UNIT III: Problem definition and Hypothesis formulation</b></p> <p>3.1. Concept  3.2. Steps in problems formulation  3.3. Research questions  3.4. Hypothesis  3.4.1. Functions of hypothesis  3.4.2. Types of hypothesis  3.4.3. Criteria of good hypothesis statement</p>
<ul style="list-style-type: none"> <li>• Describe the steps of the research process and key components of designing a study.</li> <li>• Classify various research designs and explain the differences.</li> <li>• Understand the various types of research design.</li> </ul>	<p><b>UNIT IV: RESEARCH DESIGN</b></p> <p>4.1. Definition  4.2. Elements of research design  4.3. Types of research design  4.3.1. Exploratory  4.4. Descriptive (development and case study)  4.5. Co relational  4.6. Casual – comparative  4.7. Experimental research design  4.8. Qualitative research  4.8.1. Concept of Qualitative research  4.7.2. Basic assumptions of Qualitative research  4.7.3. Features of Qualitative research  4.7.4. Design of Qualitative research</p>
<ul style="list-style-type: none"> <li>• Understand the concept, need and problems of measurement scales</li> <li>• Know the four types of scale used in research</li> </ul>	<p><b>UNIT V: MEASUREMENT, SCALING AND SAMPLING</b></p> <p>5.1. Variables</p>

<ul style="list-style-type: none"> <li>• Understand the concept and use of reliability and validity of scales.</li> <li>• Explain the difference between a sample and a census.</li> <li>• Explain the difference between random and nonrandom sampling</li> <li>• List the factors that should be considered when determining the appropriate sample size</li> <li>• Understand sampling errors</li> </ul>	<ul style="list-style-type: none"> <li>5.1.1. Concept of measurement and scaling</li> <li>5.1.2. Types of measurement and scaling</li> <li>5.2. Measurement and Scales, scales construction and attitude measurement</li> <li>5.3. Scales and techniques commonly used in business research</li> <li>5.4. Validity and Reliability of measurement</li> <li>5.5. Sampling <ul style="list-style-type: none"> <li>5.5.1 Concept of sampling</li> <li>5.5.2 Probability and non-probability sampling</li> </ul> </li> <li>5.6. Sampling and non-sampling errors</li> </ul>
<ul style="list-style-type: none"> <li>• Define primary and secondary data and explain the various methods of data collection.</li> <li>• Understand to construct questionnaire.</li> <li>• Acquaint students to construct tables and graphs using MS- EXCEL to present, analyze and interpret collected data.</li> <li>• Give an overview of descriptive and inferential statistics to analyze and interpret data and hypothesis testing.</li> </ul>	<p><b>UNIT VI: DATA COLLECTION AND ANALYSIS</b></p> <ul style="list-style-type: none"> <li>6.1. Data and its types</li> <li>6.2. Source of primary and secondary data</li> <li>6.3. Questionnaire <ul style="list-style-type: none"> <li>6.3.1 Principles of questionnaire</li> <li>6.3.2 Components of questionnaire</li> <li>6.3.3 Types of questionnaire</li> </ul> </li> <li>6.4 Format of data collection and its types</li> <li>6.5 Research interview <ul style="list-style-type: none"> <li>6.5.1 Principles of research interview</li> <li>6.5.2 Types of research interview</li> </ul> </li> <li>6.6 Source of qualitative data <ul style="list-style-type: none"> <li>6.6.1 Observation</li> <li>6.6.2 Participant observation</li> <li>6.6.3 Focus groups</li> </ul> </li> <li>6.7 E-Research using Internet to collect data from individuals <ul style="list-style-type: none"> <li>6.7.1 Web surveys and E-mail surveys</li> </ul> </li> <li>6.8 Getting data ready for analysis</li> <li>6.9 Data processing</li> <li>6.10 Presenting data in graphs and tables</li> <li>6.11 Statistical analysis of data <ul style="list-style-type: none"> <li>6.11.1 Descriptive and inferential statistics</li> </ul> </li> <li>6.12 Hypothesis testing</li> <li>6.13 Method of analyzing qualitative data.</li> </ul>
<ul style="list-style-type: none"> <li>• Acquaint students to write research proposal.</li> <li>• Understand research report, its types, and writing procedure.</li> <li>• Understand project work its components.</li> <li>• Distinguish between research report and project report.</li> <li>• Acquaint students to write project</li> </ul>	<p><b>UNIT VII: WRITING PROPOSALS AND PROJECT REPORTS</b></p> <ul style="list-style-type: none"> <li>7.1 Project work <ul style="list-style-type: none"> <li>7.1.1 Concept of project work</li> <li>7.1.2 Purpose of project work</li> <li>7.1.3 Methods of project work</li> </ul> </li> <li>7.2 Research proposals <ul style="list-style-type: none"> <li>7.2.1 Functions of research proposals</li> <li>7.2.2 Types of research proposals</li> </ul> </li> </ul>

<p>report in APA style.</p> <ul style="list-style-type: none"> <li>• Describe the essentials of good research report.</li> </ul>	<ul style="list-style-type: none"> <li>7.2.3 Components of research proposals</li> <li>7.2. 4 Features of research proposals</li> <li>7.3 Research report <ul style="list-style-type: none"> <li>7.3.1 Concept of research report</li> <li>7.3.2 Process of research report</li> <li>7.3.3 Types of research report</li> <li>7.3.4 Procedure for writing research report</li> </ul> </li> <li>7.4 Conventions of academic writing</li> <li>7.5 Components of project report</li> <li>7.5 Body of project report</li> <li>7.6 Documenting sources</li> <li>7.8 APA style of citation and referencing</li> <li>7.9 Essentials of good research report</li> </ul>
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## **BASIC TEXTS**

Zikmund, W. G. *Business Research Methods*. Thompson, New Delhi.

Pant, Prem R. *Business Research Methods*. Buddha Academic Enterprises, Kathmandu.

## **REFERENCES**

Cooper, D. R. and Schindler, P. S. *Business Research Methods*. Tata McGraw Hill, New Delhi.

Flick, U. *An Introduction to Qualitative Research*. Sage South Asia Edition New Delhi.

Sekaran, U. *Research Methods for Business: A Skill Building Approach*. Wiley, New Delhi.

Bryman, A and Bell, E. *Business Research Methods*. Oxford University Press, New Delhi



**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Consumer Behaviour and Market Research**  
 Course Code: **MKT 331**  
 Nature of the course: Theory  
 Year: Third  
 Level: BBS

Full Marks: 100  
 Pass Marks: 45  
 Time per period: 1hr.  
 Total periods: 120

**1. Course Description**

Consumer Behavior Analysis is the basic science of marketing. Marketing decisions are largely based on the principles, theory, and models developed in the consumer behavior. The subject of consumer behavior is heavily based on the knowledge borrowed from economics, psychology, sociology, and cultural anthropology. Besides marketing decisions, consumer behavior knowledge is primarily applied in market research. Consumer research also contributes to the development in the field of consumer behavior analysis. This course is an integration of the theory and applications of consumer behavior.

**2. LEARNING OBJECTIVES:**

**A. The general objectives of the course are as follows:**

- Provide students with an understanding of the concept, nature, and contribution of consumer behavior.
- Develop students' understanding of the buying process of a consumer in high and low involvement products.
- Develop students' understanding of the psychological, social and cultural factors affecting consumers' buying behavior.
- Develop students' understanding of the concept, nature, relevance, and process of market research.
- Expose students to the various application areas of market research.
- Develop students' skill to conduct small market research projects.

**B. Specific Objectives and Contents**

Specific Objectives	Contents
1. Explain the meaning of consumer behavior; 2. Recognize the characteristics of consumer behavior analysis; 3. Describe the use of consumer behavior knowledge in various areas of marketing decision making; 4. Differentiate between consumer behavior and organizational buying	<b>Unit I: Introduction (20)</b> 1. Concept of consumer behavior 2. Nature of consumer behavior analysis 3. Use of consumer behavior knowledge in marketing decisions 4. Consumer buying and organizational buying processes 5. Stages in consumer buying process: need/problem recognition, search for information, evaluation, purchase, and post-purchase outcomes.

<p>behavior; and</p> <p>5. Identify the buying process of a consumer in high and low involvement purchase situations.</p>	
<p>1. Identify the key process of consumer perception;</p> <p>2. Describe the learning process of consumers;</p> <p>3. Describe the key components of consumer memory systems and explain the process of information storing, retrieval, and forgetting;</p> <p>4. Understand the consumers' motivational systems.</p>	<p><b>Unit II: Individual Influences on Consumer Buying Decision Process: Perception, Learning, Memory, and Motivation (20)</b></p> <p>1. Consumer Perception: Concept and process of perception – sensation, exposure, attention, and interpretations.</p> <p>2. Consumer Learning: Learning process – Behavioral, cognitive, and observational learning.</p> <p>3. Consumer Memory: Memory systems, storing, retrieval and forgetting process.</p> <p>4. Consumer Motivation: Motivation process, biological and learned needs, motivational conflicts, classifying consumer needs.</p>
<p>1. Understand the concept, dimensions, and relevance of consumer's self-concept;</p> <p>2. Understand the formation of consumer personality and its relations to brand personality;</p> <p>3. Understand the use of consumer life-style in marketing;</p> <p>4. Understand the concept and functions of consumer's attitudes; and</p> <p>5. Explain how attitudes are formed and changed in marketing.</p>	<p><b>Unit III: Consumer's Self-concept, Personality, Life-styles, and Attitudes (20)</b></p> <p>1. Meaning and types of self-concept. Consumer's product choice and self-concept;</p> <p>2. Consumer Personality: Freudian, Neo-Freudian, Trait theory, and Brand Personality;</p> <p>3. Consumer Life-style: Concept and uses in marketing.</p> <p>4. Consumer Attitude: Concept and Functions of attitudes, attitude formation – consistency principle (ABC theory). Attitude change – Role of communication, source, and message in changing attitude.</p>
<p>1. Understand the concept, nature, and types of consumer groups;</p> <p>2. Explain the types and power of reference group influences;</p> <p>3. Explain the role of word-of-mouth communication in consumer behavior;</p> <p>4. Describe the influence of opinion leaders in consumer behavior;</p> <p>5. Describe the concept and nature of family influences in household decisions;</p> <p>6. Identify the role of gender and children in family purchase decisions.</p>	<p><b>Unit IV: Group and Family Influences on Consumer Behavior (20)</b></p> <p>1. Concept and types of consumer groups;</p> <p>2. Reference group influences: types of influences and power of reference groups;</p> <p>3. Word-of-mouth communication: Dominance and negative WOM.</p> <p>4. Opinion Leadership: Nature and influences of opinion leaders;</p> <p>5. The Family: Traditional and modern concepts, household decisions, gender roles, and role of children in decision-making.</p>

<ol style="list-style-type: none"> <li>1. Understand the role of social class in consumer behavior;</li> <li>2. Describe the cultural influences consumers' values and consumptions;</li> <li>3. Identify the sub-cultural consumption behavior in Nepal.</li> </ol>	<p><b>Unit V: Social and Cultural Influences on Consumer Behavior (10)</b></p> <ol style="list-style-type: none"> <li>1. Income and Social Class: Social stratifications and purchase decisions;</li> <li>2. Consumer culture: Concept and functions of culture. Cultural dynamism in Nepal and consumer behavior;</li> <li>3. Subculture: Ethnic and Religious subcultures and their consumption behavior.</li> </ol>
<ol style="list-style-type: none"> <li>1. Differentiate between market research and marketing research;</li> <li>2. Understand the role of market research in Business Decisions;</li> <li>3. Identify the various relevant market research activities in the four stages of the Product life Cycle;</li> <li>4. Understand basic steps involved in market research process;</li> <li>5. Learn the skill in using qualitative and quantitative methods of market research; and</li> <li>6. Understand the ethical issues involved in market research.</li> </ol>	<p><b>Unit VI: Market Research (20)</b></p> <ol style="list-style-type: none"> <li>1. Concept of Market Research and Marketing Research;</li> <li>2. Role of Market Research in Business Decisions</li> <li>3. Market Research in the Product Life-cycle Stages</li> <li>4. Overview of the Market Research Process</li> <li>5. Research methods: Qualitative and Quantitative methods – Types of Qualitative tools and Questionnaire based research methods</li> <li>6. Ethics in Market Research</li> </ol>
<ol style="list-style-type: none"> <li>1. Understand the concept, and various types of market research projects suitable in relation to product life-cycle stages;</li> <li>2. Learn the basic methods of conducting market research projects for developing product specifications, concept testing, product testing, name and package testing, test marketing, and brand image research.</li> </ol>	<p><b>Unit VII: Product Research (20)</b></p> <ol style="list-style-type: none"> <li>1. Concept and product researches in the PLC stages;</li> <li>2. Determining the type of market research required;</li> <li>3. Research for Developing Product Specifications;</li> <li>4. Product Concept Tests: Concept development and testing;</li> <li>5. Product Test: Test implementations;</li> <li>6. Name and Package Research;</li> <li>7. Test Marketing Research;</li> <li>8. Brand Image Research.</li> </ol>
<ol style="list-style-type: none"> <li>1. Understand the concept and benefits of advertising research;</li> <li>2. Identify the key factors assessed in advertising research;</li> <li>3. Identify the various areas of advertising researches;</li> <li>4. Develop skill for conducting pre, post and effective measurements.</li> </ol>	<p><b>Unit VIII: Advertising Research (20)</b></p> <ol style="list-style-type: none"> <li>1. Concept and Benefits of Advertising research;</li> <li>2. Questions assessed in advertising research;</li> <li>3. Types of advertising research;</li> <li>4. Testing areas in advertising research;</li> <li>5. Pre-testing methods;</li> <li>6. Copy Test methods;</li> <li>7. Post Test Methods: Measurement of partial effectiveness and measurement of advertising impacts (PACT and DAGMAR).</li> </ol>

**Basic Books:**

1. Michael R. Solomon, *Consumer Behavior*, Pearson Education, 2012.
2. Harper W. Boyd, Ralph Westfall, and Stanley F. Stasch, *Marketing Research: Text and Cases*, Irwin AITBS, 2013.

**References:**

3. Rajesh Krishna, *Consumer Behaviour*, Oxford Higher Education, 2014.
4. Sunanda Easwaran and Sharmila J. Singh, *Marketing Research*, Oxford Higher Education, 2014.
5. Kundan Dutta Koirala, *Marketing Research: Theory and Practice*, Buddha Academic, 2012.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Corporate Finance**  
Course Code: **FIN 331**  
Nature of the course: Theory  
Year: Third  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. COURSE OVERVIEW:**

This course aims to provide the students with the fundamental concepts, principles and approaches of corporate finance, enable the students to apply relevant principles and approaches in solving problems of corporate finance. Specific topics include short term and long term sources of finance, capital structure, leasing, merger and acquisition and international financing.

**2. LEARNING OBJECTIVES:**

**A. The general objectives of the course are as follows:**

- (1) To familiarize students with the concepts, tools and practices of corporate finance,
- (2) To understand the decisions to be taken by financial managers of business firms regarding financing.

**B. Specific Objectives and Contents**

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Acquaint students with the concept of corporate finance</li> <li>• Understand the goal of financial management.</li> <li>• Explain the conflicts of interest that can arise between managers and owners.</li> <li>• Understand the classification and functions of financial market</li> <li>• Familiar students with the background knowledge of NEPSE.</li> </ul>	<p><b>UNIT I: CORPORATE FINANCE</b> <span style="float: right;"><b>LH 5</b></span></p> <p>1.1. Corporations 1.2. Investment and financing decisions 1.3. Goal of the corporations 1.4. Agency relationships and conflicts 1.5. Financial markets and institutions 1.6. Classification of financial market and institutions 1.7. Functions of financial markets and institutions 1.8. Financial market in Nepal 1.9. Functions of Nepal stock exchange limited 1.10. Trading procedure of Nepal stock exchange limited 1.11. Corporate Governance</p>
<ul style="list-style-type: none"> <li>• Understand the concept and sources of short - term financing</li> <li>• Compute cost of Trade credit</li> <li>• Compute cost of Short term bank loans</li> <li>• Compute cost of Pledging and Factoring of account receivables</li> <li>• Compute cost of Inventory financing</li> </ul>	<p><b>UNIT II: SHORT TERM FINANCING</b> <span style="float: right;"><b>LH 20</b></span></p> <p>2.1. Sources of short term financing 2.2. Accruals 2.3. Trade credit 2.2.1. Cost of trade credit 2.3. Short term bank loans 2.3.1. Types of bank loans 2.3.2. Cost of short term bank loans (simple interest, discount interest, interest with compensating balance) 2.4. Account receivable financing</p>

	2.4.1. Pledging of account receivables 2.4.2. Factoring of account receivables 2.5. Inventory financing 2.5.1. Blanket inventory lien 2.5.2. Trust receipt 2.5.3. Field warehouse financing 2.6. Commercial papers 2.7. Banker’s acceptance
<ul style="list-style-type: none"> <li>• Acquaint student with financial planning and its importance</li> <li>• Understand to apply the percentage of sales method.</li> <li>• Compute the external financing needed to fund a firm’s growth.</li> </ul>	<b>UNIT III: FINANCIAL PLANNING</b> <span style="float: right;"><b>LH 14</b></span> 3.1. Concept of financial planning 3.2. Importance of financial planning 3.3. Long-Term (Strategic) Financial Plans 3.4. Operating Plans 3.5. The Sales Forecast 3.6. Determining external financial requirement 3.7. Percentage of sales model 3.8. Assumptions of percentage of sales model 3.9. Preparing the Pro Forma Income Statement 3.10. Considering Types of Costs and Expenses 3.11. Preparing the Pro Forma Balance Sheet 3.12. Required external fund and excess capacity 3.13. External financing and growth
<ul style="list-style-type: none"> <li>• Understand the sources of long term financing</li> <li>• Explain the features and classes of common stock</li> <li>• Describe rights and privileges available to Common Stockholders</li> <li>• Explain the features and types of bond</li> <li>• Evaluate Bond refunding decision</li> <li>• Understand the hybrid securities and their types</li> </ul>	<b>UNIT IV: LONG TERM FINANCING</b> <span style="float: right;"><b>LH 8</b></span> <b>4.1. Common stock</b> 4.1.1. Features of common stock 4.1.2. Common stock values 4.1.3. Voting procedures 4.1.4. Classes of common stock 4.1.5. Rights and Privileges of Common Stockholders <b>4.2. Corporate debt</b> 4.2.1. Bond 4.2.2. Features of bond 4.2.3. Types of bond 4.2.4. Innovation in the debt market 4.2.5. Bond refunding decision <b>4.3. Hybrid Financing:</b> <b>4.3.1. Preferred Stock</b> 4.3.1.1. Basic Features 4.3.1.2. Advantages and Disadvantages of Preferred Stock 4.3.1.3. Types of preferred stock <b>4.3.2. Warrants</b> 4.3.2.1. Use of Warrants in Financing 4.3.2.2. Problems with Warrant Issues <b>4.3.3. Convertibles</b> 4.3.3.1. General Features of Convertibles

	4.3.3.2. Comparison of Warrants and Convertibles
<ul style="list-style-type: none"> <li>• Understand the venture capital market and its role in the financing</li> <li>• Understand, how securities are sold to the public and the role of investment Banks in the process.</li> <li>• Explain initial public offerings and some of the costs of going public.</li> <li>• Understand how rights are issued to existing shareholders and how to value those rights.</li> <li>• Understand the process and role of investment banking.</li> </ul>	<b>UNIT V: VENTURE CAPITAL, IPOS AND SECOND OFFERING</b> <b>LH 12</b> 5.1. Venture Capital 5.1.1. Concept and Features of venture capital 5.1.2. Pros and Cons of venture capital 5.1.3. Choosing a venture capitalist 5.2. Selling Securities to the Public (IPO) 5.2.1. The Basic Procedure 5.2.2. The underwriters 5.2.3. Types of underwriting 5.2.4. Listing of securities 5.3. The private placement 5.3. Rights offer (or rights offering) 5.3.1. The mechanics of a rights offering 5.3.2. Valuation of right 5.4. Seasoned equity offering (SEO) 5.5. The Costs of Issuing Securities 5.6. Investment Banking and their Role
<ul style="list-style-type: none"> <li>• Describe capital structure</li> <li>• Discuss the effect of capital structure on risk and return of shareholders</li> <li>• Explain the factors affecting capital structure</li> <li>• Provide the basic knowledge of business and financial risk</li> <li>• Compute DOL, DFL &amp; DCL.</li> <li>• Understand the concept of break even analysis and compute three types of BEP</li> </ul>	<b>UNIT VI: CAPITAL STRUCTURE AND LVERAGE</b> <b>LH 10</b> 6.1. Meaning, Need and Importance of Capital Structure 6.2. Designing Optimal Capital Structure 6.3. Factors Affecting Capital Structure 6.4. Difference Between Capital Structure and Financial Structure 6.5. Business risk and financial risk 6.6. Leverages: Concept, and Measurement 6.6.1. Financial leverage 6.6.2. Operating leverage 6.6.3. Combined leverage 6.7. EBIT – EPS Analysis 6.8. Break Even Analysis
<ul style="list-style-type: none"> <li>• Understand the different kinds of leases and some of the reasons for their use.</li> <li>• Compute the net present value of a long-term lease.</li> <li>• Evaluate lease on behalf of lessee and lessor</li> </ul>	<b>UNIT VI: LEASING</b> <b>LH 14</b> 7.1. Concept of leasing 7.2. Reasons for leasing 7.3. Forms of leasing 7.4. Elements of leasing 7.5. Terms of lease 7.5. Advantages of leasing 7.6. Lease rental rate 7.7. Lease-versus-Purchase Decision 7.7.1. Evaluation by the Lessee 7.7.2. Evaluation by the Lessor
<ul style="list-style-type: none"> <li>• Describe ways that companies change their ownership or management.</li> </ul>	<b>UNIT VII: FINANCIAL RESTRUCTURING (MERGER AND ACQUISITION)</b> <b>LH 12</b> 8.1. Methods of restructuring the control

<ul style="list-style-type: none"> <li>• Understand the concept and motives of merger.</li> <li>• Estimate the gains and costs of mergers to the acquiring firm.</li> <li>• Explain some of the motivations for leveraged and management buyouts of the firm.</li> <li>• Understand business failure and its causes</li> </ul>	<p>8.2. Merger</p> <p>8.2.1. Motives for merger</p> <p>8.2.2. Merger Negotiation Process</p> <p>8.2.3. Evaluating merger</p> <p>8.2.4. Valuing the Target Firm</p> <p>8.2.5. Merger financed by cash</p> <p>8.2.6. Merger financed by stock</p> <p>8.2.7. The benefit and cost of merger</p> <p>8.2.8.. Merger Regulation in Nepal</p> <p>8.3. Corporate Alliances</p> <p>8.4. Leveraged Buyouts (LBOs)</p> <p>8.5. Holding Companies</p> <p>8.6. Business Failure</p> <p>8.6.1. Types of Business Failure</p>
<ul style="list-style-type: none"> <li>• Describe how dividends are paid and how companies decide on dividend payments.</li> <li>• Explain how share repurchases are used to distribute cash to shareholders.</li> <li>• Explain why dividends and repurchases may be used to signal the prospects of the firm.</li> <li>• Explain why payout policy would not affect firm value in an ideal world.</li> <li>• Show how differences in the tax treatment of dividends and capital gains might affect dividend policy.</li> </ul>	<p><b>UNIT IX: PAYOUT POLICY</b> <span style="float: right;"><b>LH 10</b></span></p> <p>9.1. Dividend</p> <p>9.2. Types of dividend</p> <p>9.3. Dividend payout policies</p> <p>9.4. The role of share repurchases</p> <p>9.5. Repurchase and share valuation</p> <p>9.6. The Pros and Cons of Dividends and Repurchases</p> <p>9.7. The information contents or signaling hypothesis of dividend</p> <p>9.8. Dividend irrelevance theory</p> <p>9.9. Arguments for Dividend Irrelevance</p> <p>9.10. Arguments for Dividend Relevance</p> <p>9.11. Dividend and firm value</p> <p>9.12. Dividend VS capital gain</p>
<ul style="list-style-type: none"> <li>• Understand the concept of multinational corporation</li> <li>• Understand the relationship between spot exchange rate, forward exchange rates interest rate and inflation rate.</li> <li>• Compute exchange rate using chain method</li> <li>• Understand trading in foreign exchange</li> <li>• Familiar with major international stock market NYSE, NASDAQ, TSE, BSE, KSE and LONDON STOCK EXCHANGE, SANGHAI STOCK EXCHANGE.</li> </ul>	<p><b>CHAPTER X: MULTINATIONAL FINANCIAL MANAGEMENT</b> <span style="float: right;"><b>LH 15</b></span></p> <p>10.1. Multinational, or Global, Corporations</p> <p>10.2. Multinational versus Domestic Financial Management</p> <p>10.3. Foreign Exchange Rates</p> <p>10.3.1. Exchange Rate Quotations</p> <p>10.3.2. Exchange Rates and International Trade</p> <p>10.3.3. Cross Rates</p> <p>10.4. Trading in Foreign Exchange</p> <p>10.5. Spot Rates and Forward Rates</p> <p>10.6. Interest Rate Parity</p> <p>10.7. Purchasing Power Parity</p> <p>10.8. Inflation, Interest Rates, and Exchange Rates</p> <p>10.9. International Stock Markets</p>



**Basic Book and References:****Basic Books**

1. Richard A. Brealey, Stewart C. Myers, Alan J. Marcus, Fundamentals of Corporate Finance, The McGraw-Hill Companies, Inc.
2. Ross, Stephen A., Westerfield, Randolph, and Jeffrey Jaffe, Corporate Finance, Tata McGraw Hill.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Production and Operation Management**  
 Course Code: **MGMT 332**  
 Nature of the course: Theory  
 Year: Third  
 Level: BBS

Full Marks: 100  
 Pass Marks: 45  
 Time per period: 1 hr.  
 Total periods: 120

**1. Course Description**

Operations management is of central importance to any organization, whether they are manufacturing companies producing physical products or organizations offering services. Operations Management leads the way for the organizations to achieve its goals with minimum effort. Hence, the study of the subject at undergraduate has more significance.

This course aims to acquaint students with current operations management practices and research results and with the core concepts, tools, models and managerial considerations used in making operation management decision.

**The general objectives of the course are as follows:**

- Provide students with an understanding of the concept, nature, and implementation of operation management.
- Understand the value chain analysis for product and services.
- Develop students’ understanding of the psychological, social and cultural factors affecting operation behavior of operation managers
- Acquaint students to understand the concept, nature, relevance, and process of operation research.
- Expose students to the various application areas of operation management.
- Develop students’ skill to conduct operation techniques in several trading and service organizations.

**2. Course Contents**

<ul style="list-style-type: none"> <li>• Understand Operation Management and its role in organization</li> <li>• Describe the decisions that fall within the field of operation management</li> <li>• Explain the objectives and strategic perspectives of operation management</li> </ul>	<p><b>1. Introduction 10</b></p> <p>1.1 Concept of Production and Operation Management</p> <p>1.2 Objectives of Operations Management</p> <p>1.3 Scope and significance</p> <p>1.4 Production and Operations Environments</p> <p>1.5 Operations Objectives</p> <p>1.6 Production and Operation System</p> <p>1.7 Production System Design</p> <p>1.8 The Life Cycle Approach</p> <p>1.9 Historical Development of Production and Operations Management</p> <p>1.10 Productivity and Competitiveness</p>
<ul style="list-style-type: none"> <li>• Explain the concept, steps and factors to be considered in product design</li> <li>• Describe the service design</li> </ul>	<p><b>2. Product Design and Process Selection 10</b></p> <p>2.1 Concept of Product Design</p> <p>2.2 Classification of Product Design</p> <p>2.3 Process and Approaches</p>

<p>Point out the emerging issues in designing product and service</p>	<p>2.4 Designing Products for Manufacture and Assembly  2.5 Process Selection  2.6 Flow Design  2.7 Nature of Services as a Product  2.8 Service-System Design Matrix  2.9 Emerging Issues in Product Design</p>
<ul style="list-style-type: none"> <li>• Describe the scope and importance of Supply Chain Management</li> <li>• Understand the role of supply chain strategy in linking corporate strategy and operations</li> </ul>	<p><b>3. Supply Chain Management 8</b>  3.1. Supply Chain Strategy  3.2. Supply Chain Design Strategy  3.3. Out Sourcing and Mass Customization</p>
<ul style="list-style-type: none"> <li>• Understand demand management</li> <li>• Explain the role and approaches of demand forecasting for products and services</li> <li>• Acquaint students using the demand forecasting techniques.</li> </ul>	<p><b>4. Forecasting 15</b>  4.1. Demand Management  4.2. Components of Demand  4.3. Qualitative Techniques in Forecasting  4.4. Time Series Analysis  4.5. Causal Relationship Forecasting</p>
<ul style="list-style-type: none"> <li>• Describe the capacity concepts</li> <li>• Explain the service specific capacity issues</li> <li>• Discuss the impact of capacity planning and control</li> </ul>	<p><b>5. Capacity Planning 5</b>  5.1. Important Capacity Concepts  5.2. Capacity Planning</p>
	<p><b>6. Aggregate Sales and Operations Planning 10</b>  6.1. Overview of Sales and Operations Planning Activities  6.2. The Aggregate Operations Plan  6.3. The Aggregate Planning Techniques  6.4. Yield Management</p>
<ul style="list-style-type: none"> <li>• Understand the role of inventory and basic inventory management systems</li> <li>• Be familiar with basic inventory models</li> <li>• Understand the process of developing a master schedule and materials plan</li> </ul>	<p><b>7. Inventory System 20</b>  7.1. Inventory Costs  7.2. Independent vs. Dependent Demands  7.3. Inventory Systems  7.4. Basic Model Types  7.5. EOQ Models  7.6. Problems in Determining Realistic Costs  7.7. Materials Requirement Planning Systems and its structure</p>
<ul style="list-style-type: none"> <li>• Understanding the location and layout decisions</li> </ul>	<p><b>8. Facility Location and Layout 14</b>  8.1. Concept of Facility Location and Layout</p>

	8.2. Characteristics of Good Location 8.3. Methods of Determining Facility Location 8.4. Layout 8.5. Importance of Layout 8.6. Types of Layout
	<b>9. Japanese Operations Managements 12</b> 9.1. Features of Japanese Operations Managements 9.2. Elements of JIT System 9.3. Stabilizing Schedule 9.4. Elimination of Waste 9.5. JIT Implementation Requirements 9.6. Flexible Manufacturing System and Its Structure
<ul style="list-style-type: none"> <li>• Understand the waiting line problem</li> <li>• Explain necessary theory and models for line waiting</li> </ul>	<b>10. Waiting Line Theory 8</b> 10.1 Economics of the Waiting Line Problem 10.2 The Queuing System 10.3 Waiting Line Characteristics 10.4 Simple Waiting Line Models
<ul style="list-style-type: none"> <li>• Understand the role of quality management in organizations</li> <li>• Understand the nature and use of ISO 9000 quality management system</li> <li>• Know how to use the basic quality control tools</li> </ul>	<b>11. Quality Management 8</b> 11.1 Philosophical Elements of Quality Management 11.2 Quality specification and Quality Costs 11.3 Statistical Quality Control 11.4 Process Control 11.5 Acceptance Sampling ISO 9000

**Text books:**

1. Chase, Richard B. and Nicholas J. Aquilano: *Production and Operations Management: A Life Cycle Approach*, Irwin.
2. Adam, Everett E. Jr. and Ronald J. Ebert: *Production and Operations Management*, Prentice, Hall of India.

**FAR WESTERN UNIVERSITY**

**Faculty of Management**

**Bachelor of Business Studies (BBS)**

**Fourth Year**



**Syllabus**

**2075**

***Bheemdattnagar, Kanchanpur***

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Strategic Management**

Course Code: **MGMT 343**

Nature of the Course: Theory

Year: Fourth

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per Period: 1 hour

Total Periods: 120

### 1. Course Introduction:

Strategic management will cover the concept and importance of strategic management in business organization. The course will cover the understanding of different layers of the strategy in organization, process of formulation, implementation and control of strategy implementation process.

### 2. Course Objectives

- Understand how strategic management can contribute to a long term mission of the organization
- To understand the different methods of internal and external environmental analysis
- To understand different types of the business strategies
- To understand the strategy formulation at different layers
- To understand the implementation mechanism of the strategies implementation
- To understand the techniques of control and evaluation of strategy implementation process

### Specific Objectives and Contents

Specific Objectives	Contents
<ul style="list-style-type: none"><li>• To understand the basic concept of strategic management</li><li>• To understand how strategic management benefits an organization</li><li>• To understand the strategic management process</li></ul>	<p><b>Unit I: Basic Concepts of strategic management [10]</b></p> <p>1.1.1 Meaning of strategic management</p> <p>1.1.2 Benefits of strategic management</p> <p>1.1.3 Concept of learning organization</p> <p>1.1.4 Basic elements of strategic management (environmental scanning, strategy formulation, implementation, evaluation and control) (brief overview, details come later again)</p> <p><b>1.2 Strategic Decision Making</b></p> <p>1.2.1 What makes a decision strategic</p> <p>1.2.2 Modes of strategic decision making</p> <p>1.2.3 Strategic Decision making process</p>
<ul style="list-style-type: none"><li>• To understand the importance of corporate governance in strategic management</li><li>• To understand the role of board and top management in strategic management</li></ul>	<p><b>Unit II: Corporate governance and strategic management [5]</b></p> <p>2.1.1 Role and responsibilities of board</p> <p>2.1.2 Role of board in strategic management</p> <p>2.1.3 Trends in corporate governance</p> <p>2.1.4 Responsibility of strategic management</p>

<ul style="list-style-type: none"> <li>• To understand the social responsibility and ethics in business management</li> <li>• To understand the importance of social responsibility and ethics in strategic management</li> </ul>	<p><b>Unit III: Social responsibility and ethics in strategic management [5]</b></p> <p>3.1.1 Responsibility of a business firm</p> <p>3.1.2 corporate stakeholders, stakeholders analysis, stakeholder input</p> <p>3.1.3 Ethical decision making ,reasons of unethical behavior, encouraging ethical behavior</p> <p>3.1.4 Guidelines for ethical behavior</p>
<ul style="list-style-type: none"> <li>• To understand the variables for analyzing the external environment</li> <li>• To learn the methods of synthesizing the external variables</li> </ul>	<p><b>Unit IV: Scanning the environment [12]</b></p> <p>4.1. Identifying external environment variables</p> <p>4.1.1 Scanning natural environment</p> <p>4.1.2 STEEP(or PESTEL) Analysis</p> <p>4.1.3 Identifying external strategic factors, use of issues priority matrix</p> <p>4.2 Industry analysis</p> <p>4.2.1Porters approach of industry analysis</p> <p>4.2.2Industry evolution</p> <p>4.2.3Categorizin international business</p> <p>4.2.4strategic grouping</p> <p>4.2.5 Understanding key success factors</p> <p>4.2.6 competitive intelligence and its sources</p> <p>4.2.7 Forecasting and forecasting techniques</p> <p>4.2.8 Synthesis of external factors EFAS</p>
<ul style="list-style-type: none"> <li>• To understand the different methods and parameters of internal analysis</li> </ul>	<p><b>Unit V: Scanning the internal environment [12]</b></p> <p>5.1.1 VRIO framework of resource based analysis</p> <p>5.1.2 Business models</p> <p>5.1.3 Value chain analysis</p> <p>5.2 Scanning functional resource and capability</p> <p>5.2.1 understanding the basic structures and its relation to strategy</p> <p>5.2.2 Understanding culture and its relation to strategy</p> <p>5.2.3 Strategic marketing issues</p> <p>5.2.4 Strategic Financial issues</p> <p>5.2.5 Strategic Operation issues</p> <p>5.2.6Strategic HRM issues</p> <p>5.2.7 Strategic Information Syaytem issues</p> <p>5.3 Synthesis of Internal factors: Preparation f IFAS table</p>
<ul style="list-style-type: none"> <li>• To understand the business and corporate strategies</li> <li>• To learn to develop strategic alternatives</li> </ul>	<p><b>Unit VI: Strategy Formulation [20]</b></p> <p><b>6.1 Situational analysis</b></p> <p>6.1.1 SWOT analysis</p> <p>6.1.2 Generating strategy factor analysis summary(SFAS)</p> <p>6.1.3 Review of mission and objectives</p> <p><b>6.2 Use of TOWS matrix to understand strategic alternates</b></p> <p><b>6.3 Business strategies</b></p> <p>6.3.1 Porters competitive strategies</p> <p>6.3.2 Cooperative strategies</p> <p>6.4 Corporate strategies</p>

	<p>6.4.1 Directional strategies  Growth  Stability  Retrenchment strategies</p> <p>6.5 Portfolio analysis  BCG matrix and GE business screen  Managing a strategic alliance portfolio</p> <p>6.6 Corporate Parenting  Developing a corporate parenting strategy  Horizontal strategy and multipoint competition</p>
<ul style="list-style-type: none"> <li>• To analyze and understand the various functional strategies</li> <li>• To learn to select the best strategy</li> </ul>	<p><b>Unit VII: Formulation of functional strategies [12]</b></p> <p><b>7.1 Functional Strategies</b></p> <p>7.1.1 Marketing Strategy  7.1.2 Financial Strategy  7.1.3 R&amp;D Strategy  7.1.4 Operations Strategy  7.1.5 Logistics Strategy  7.1.6 HRM Strategy  7.1.7 IT Strategy</p> <p>7.2 Sourcing decisions  7.3 Strategies to avoid</p> <p><b>7.4 Selecting the best strategy</b></p> <p>7.2.1 Management attitude towards risk  7.2.2 Pressure from stakeholders  7.2.3 Pressure from culture  7.2.4 Needs desires of key managers  7.2.5 Process of strategic choice</p>
<ul style="list-style-type: none"> <li>• To understand the strategy implementation process</li> <li>• To understand the different issues in strategy implementation</li> </ul>	<p><b>Unit VIII: Strategy Implementation and control[16]</b></p> <p><b>8.1 Strategy implementation:</b></p> <p>8.1.1 Who implements the strategy  8.1.2 Developing program, budget ,procedures, policies  8.1.3. Organizing for action  Structure follows strategy  Stages of corporate development  Advanced type of structure: matrix, virtual and modular</p> <p>8.1.4 Staffing and directing  Staffing followed by strategy  Selection and management development  Managing corporate culture  Action Planning</p> <p>8.1.5 International issues in strategic implementation  Forces pushing for standardization  International alliances  Stages of international development  Centralization Vs. decentralization</p>



<ul style="list-style-type: none"> <li>• To understand the importance of control in strategic management process</li> <li>• To learn the different control and evaluation techniques</li> </ul>	<p><b>Unit IX: Evaluation and control in strategic management[12]</b></p> <p><b>9.1 Strategy implementation:</b></p> <p>9.1.1 Basic evaluation and control process in strategic Management Types of control</p> <p>9.1.2 Performance and appropriate measures of performance Primary measures of corporate performance: traditional measure, stakeholder measure, shareholder, economic and market value added methods Balanced score card</p> <p>9.1.3. Primary measures of divisional and functional performance Major types of responsibility centers Using benchmarking to evaluate performance Problems in measuring performance Guidelines for proper control Strategic incentive management</p>
<ul style="list-style-type: none"> <li>• To understand the specific strategic issues for small business</li> </ul>	<p><b>UNIT X :Strategic issues in Entrepreneurial ventures small business(6)</b></p> <p>10.1 Factors affecting new venture success Industry structure, Business strategy, Entrepreneurial characteristics</p> <p>10.2 Issues in strategy implementation</p> <p>10.3 Issues in evaluation and control</p>

### 3. Evaluation System

As per University guideline

### 4. Prescribed Books

#### Basic Text Books

Concepts in Strategic management and business policy;  
Thomas L wheelen., J David Hunger ; Pearson Education

#### Reference books

Mellahi, Frynas, Finlay, 2006 Global Strategic Management, Oxford Publication  
Haberberg and Rieple, 2010, Strategic Management Theory and Application, Oxford publication  
R. Edward Freeman, 2011, Strategic Management A stakeholder Approach, Cambridge Publication  
Chandrasekaran, Ananthanarayanan, 2011, Strategic Management, Oxford Publication  
J. George Frynas and Kamel Mellahi, 2011, Global Strategic Management, Oxford Publication  
Mellahi, Frynas, Finlay, 2006, Global Strategic Management, Oxford publication.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Management of Cooperative and Micro lending Institutions**

Course Code: **MGMT 345**

Nature of the course: Theory

Year: Fourth

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period: 1 hr.

Total periods: 120

### 1. Course Description:

This course outlines the process of organizing and financing the cooperative and Micro financing business. The course explores why and how cooperatives and microfinance operations have grown to provide financial services to poor and low-income people. This course will provide students with an excellent introduction to cooperatives and microfinance institutions.

### 2. Course Objectives:

1. Acquaint the students with the co-operative movement.
2. Develop the capability of students for knowing different types of Co-operatives.
3. Aware the role of Govt. in development of co-operative sector.
4. Give basic knowledge about administration and management of Co-operatives.
5. Understand the concept of Microfinance its role and functions
6. Understand Microfinance Institutions and their products
7. Acquaint students with the lending methodologies of MFIs in Nepal.

### 3. Course Outline

#### CONTENTS

#### **UNIT I. INTRODUCTION OF COOPERATIVES .....LH 10**

- 1.1. Meaning and Definition of Cooperative
- 1.2. Brief History of Cooperatives
- 1.3. Cooperative Thought
- 1.3. Cooperative as a Business Firm
- 1.4. Differences between Cooperative Institution and other Financial Organization.
- 1.5. Principles Subscribed by the Cooperative Code
- 1.6. Universally Accepted Cooperative Principles
- 1.7. Role of Cooperative in economic development of country.

#### **UNIT II. ORGANIZING A COOPERATIVE LH .....15**

- 2.1. Procedures in Organizing a Cooperative
- 2.2. Objectives of Cooperatives
- 2.3. Types of Cooperatives and their Functions
- 2.4. Importance of Cooperatives
- 2.5. The Registration Process
- 2.6. Registration of Cooperative in Nepal
- 2.7. Membership in Cooperatives
- 2.8. Dissolution of the Cooperative
- 2.9. Causes of Liquidation
- 2.10. Qualification of a Member

#### **UNIT III. ADMINISTRATION OF COOPERATIVES..... LH 8**

- 3.1. The Cooperatives Organizational Structure
- 3.2. The Composition and Powers of the General Assembly
- 3.3. The Composition and Powers of the Board of Directors

3.4. Qualification of the Board of Directors	
3.6. The Different Committees of the Cooperatives	
<b>UNITIV. RESPONSIBILITIES, RIGHTS, AND PRIVILEGES OF THE COOPERATIVES</b> .....LH 12	
4.1. Responsibilities of the Cooperatives	
4.2. Rights of the Cooperatives	
4.3. Privileges of the Cooperatives	
4.4. Ethics of Cooperative and Micro Lending Institution.	
4.5. Unethical Activities in Financial Institution.	
<b>UNIT V. CAPITAL, PROPERTY AND FUNDS</b> .....LH 8	
5.1. Sources of Capital	
5.2. Favorable Investment Opportunities	
5.3. Strategies to Safeguard the Funds of the Cooperatives	
<b>UNIT VI. COOPERATIVES MOVEMENT IN NEPAL</b> .....LH 10	
6.1. History of Cooperative in Nepal	
6.2. Success and Failure of Cooperative Movement in the Nepal	
6.3. National Policy in Cooperatives.	
6.4 National Cooperative Development Board: Formation and its Functions	
6.5. Features of Cooperative Act	
<b>UNIT VII. THE NATURE AND DEVELOPMENT OF MICROFINANCE</b> ..... LH 12	
7.1.The Nature of Microfinance	
7.2.Definition of Microfinance;	
7.3.Characteristics of Microfinance,	
7.4. Objectives and Need of Microfinance;	
7.5.Principles of Microfinance;	
7.6. Evolution of Microfinance,	
7.7. Role of Microfinance in Poverty Elevation.	
7.8. Development of Microfinance in Nepal.	
<b>UNIT VIII. MICROFINANCE INSTITUTIONS IN NEPAL (MFIs)</b> ..... LH 25	
8.1. Definition of Microfinance Institutions;	
8.2. Objectives of MFIs;	
8.3. Importance of Micro Financing Institutions;	
8.4. Microfinance Industry in Nepal:	
8.4.1.Formal Institutions: Microfinance Development Banks (MFDBs), Rural Micro-finance Development Center (RMDC), Small Farmer Development Program (SFDP), Women Development Program, Financial Intermediary NGOs (FINGOs), Savings and Credit Co-operative(SACCOS), and Small Industry Development Program.	
8.4.2. Informal Institutions: Money Lenders, Self-Help Groups (SHGs), Family and Friends Networks,	
8.5. Opportunities and Challenges of Microfinance institutions in Nepal	
<b>UNIT IX: LENDING METHODOLOGY OF MICRO FINANCE INSTUTIONS</b> ..... LH 20	
9.1 Group Microfinance Lending	
9.2. Individual Microfinance Loans	
9.3. Lending to SACCOS,	
9.4. Micro-finance Credit Lending Models in Nepal –	
9.4.1. Association Model,	
9.4.2.Community Banking Model	
9.4.3.Cooperative Model	
9.4.4.Rural Joint Liability Group Model,	
9.4.5. Self-help Group (Shg) Model And Village Banking Model;	
9.4.6. Merits and Demerits of each Leading Approach,	
9.5. National Micro-Finance Policy 2005,	

## References:

- Krishnaswamy O. R: Fundamental of Co-operation, S.Chand & Company Ltd, New Delhi
- G.S. Kamat : New Dimensions of Co-operative Management; Himalaya Publishing House
- Baral, S.K. and Bihari, S.C. Rural Marketing and Micro Finance: Text and Cases, New Delhi: A.I.T.B.S. Publishers, India
- Microfinance Handbook: An Institutional and Financial Perspective: Sustainable Banking with Poor. Washington D.C: The World Bank.
- Shah, R. K., Micro Finance in Nepal, New Delhi: Serials Publications
- Shrestha, Shanker Man, State of Micro Finance in Nepal, Dhaka: Institute of Micro Finance
- Rothschild j. , Allen-Whitt j (1986) the cooperative workplace ,Cambridge university.
- Shakya, surya, R.(1904), cooperative movement in Nepal, Kathmandu
- Dr nepal, pashupati (2069) cooperative: Theory and Practice, Pairavbi prakashan, Nepal.
- Triphati S.N., (1998), Co-operative for rural development, New Delhi, Discovery Publication house,

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Entrepreneurship**  
Course Code: **MGMT 344**  
Nature of the course: Theory  
Year: Fourth  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. Course Introduction:**

The course is designed for BBS students to provide the knowledge to enable them to create the business ideas for a new business. This course is assumed to encourage the students to become job creators rather than job seekers. The students will learn the process of entrepreneurship, features of the successful entrepreneurs, process of creativity and innovation features an environment of small business.

**2. Specific Objectives and Course Contents**

<b>Contents in Details</b>	
<p><b>Unit I: Entrepreneurship Perspective</b></p> <p>1.1 Concept of Entrepreneurship</p> <p>1.2 Nature and development of Entrepreneurship</p> <p>1.3 Entrepreneurial process</p> <p>1.4 How entrepreneurs think?</p> <p style="padding-left: 20px;">Effectuation, cognitive adaptability</p> <p style="padding-left: 20px;">Entrepreneurial heuristics</p> <p style="padding-left: 20px;">Learning from business failure</p> <p style="padding-left: 20px;">Recovery and learning process</p> <p>1.5 Role of entrepreneurship in economic development</p> <p>1.6 Entrepreneurs background and characteristics</p> <p>1.7 Ethics and social responsibilities of entrepreneurship</p>	<b>(15)</b>
<p><b>Unit II: Corporate Entrepreneurship</b></p> <p>2.1 Concept of corporate entrepreneurship</p> <p>2.2 Establishing corporate entrepreneurship in the organization</p> <p>2.3 Changing environment for corporate entrepreneurship,</p> <p>2.4 Rising interest in corporate entrepreneurship</p> <p>2.5 Difference between entrepreneurship and corporate entrepreneurship</p> <p>2.6 Managerial vs entrepreneurial decision making</p>	<b>(7)</b>
<p><b>Unit III: Generating and Exploiting New Entry Opportunities</b></p> <p>3.1. Define new entry</p> <p>3.2. Generating new entry opportunity</p> <p>3.3. Identifying sources of competitive advantage</p> <p>3.4. Assessing new entry opportunit</p> <p>3.5. Decision for new entry</p> <p>3.6. New strategies for new entry</p>	<b>(6)</b>
<b>Unit IV : Creativity and the Business Idea</b>	<b>(15)</b>

<p>4.1. Creativity: Concept and process of creativity</p> <p>4.2. New venture creation process:</p> <p>    4.2.1 Ideas from trend analysis:</p> <p>    4.2.2 Other sources of new venture ideas</p> <p>    4.2.3 Methods of generating ideas and solving problems</p> <p>    4.2.4 Creativity and entrepreneurship</p> <p>4.3 Innovation</p> <p>    4.3.1 Concept of innovation</p> <p>    4.3.2 Types of innovation</p> <p>    4.3.3 Classification of new product, entrepreneurial innovation,</p> <p>    4.3.4 Difference between creativity and innovation</p> <p>4.4 Identifying domestic and international opportunities</p> <p>4.5 International vs domestic entrepreneurship</p>	
<p><b>Unit V: Small Business</b></p> <p>5.1 Perspectives on small business</p> <p>5.2 What is a small business?</p> <p>5.3 Types and environment of small business</p> <p>5.4 Role of small business</p> <p>5.5 External and personal factors of small business failure and resolutions of success</p> <p>5.6 Challenges and opportunities for Nepalese small business</p> <p>5.7 Recommendations for the upliftment of small business in Nepal</p> <p>5.8 Entrepreneur vs small business</p>	<b>(10)</b>
<p><b>Unit VI: Legal Issues for the Entrepreneur</b></p> <p>6.1 Legal forms of business in practice in Nepal</p> <p>6.2 Legal issues in setting up the organization</p> <p>6.3 Intellectual property: Concept of intellectual property</p> <p>6.4 Patents: Concept,</p> <p>6.5 Trademark: Concept</p> <p>6.6 Copy right: Concept</p> <p>6.4 Provisions regarding patent and trade mark, copy right registration process in Nepal</p>	<b>(8)</b>
<p><b>Unit VII : Business Planning</b></p> <p>7.1. Concept of Business Plan,</p> <p>7.2. Scope of business plan</p> <p>7.3. Components of Business Plan:</p> <p>    7.3.1 Environmental Analysis</p> <p>    7.3.2 Description of venture</p> <p>    7.3.3 Production plan</p> <p>    7.3.4 Operation plan</p> <p>    7.3.5 Marketing plan</p> <p>    7.3.6 Organizational plan</p> <p>    7.3.7 Risk assessment</p> <p>    7.3.8 Financial plan</p> <p>7.4 Implementing the business Plan</p> <p>7.5 Reasons for business plan failure</p>	<b>(10)</b>
<p><b>Unit VIII :Market Research for New Ventures</b></p> <p>8.1 Importance of research in business planning</p> <p>8.2 Industry analysis: Competitor analysis</p> <p>8.3 Marketing research for the new venture: Defining the objectives, gathering data from primary and secondary sources, analyzing and interpreting data</p> <p>8.4 Preparing market plan: Steps in preparing market plan</p>	<b>(8)</b>

<b>Group work: Preparation of Business Plan searching local business opportunities</b>	
<b>Unit IX: Financing venture</b>	<b>(8)</b>
9.1 Sources of capital 9.1.1 Debt equity financing 9.1.2 Internal external financing 9.1.3 Personal funds 9.1.4 Funds from commercial banks 9.1.5 Role of government agencies in small business financing, 9.2 Informal risk capital market 9.3 Venture Capital	
<b>Unit X: Growth and Implications of growth</b>	<b>(15)</b>
10.1 Concept of growth 10.2 Growth strategies: Penetration strategies, market development strategies, product development strategies, diversification strategies, 10.3 Implications of growth for the firm.: 10.3.1 Pressures on financial resources, 10.3.2 Pressures on human resources, 10.3.3 Pressures on management of employees 10.3.4 Pressures on entrepreneurs time, 10.3.5 Overcoming the pressures 10.4 Implications of growth for the entrepreneur 10.5 Resources of growth 10.5.1 Joint ventures 10.5.2 Acquisitions 10.5.3 Mergers	
<b>Unit XI: Ending the Venture</b>	<b>(8)</b>
11.1 Exit strategy 11.2 Succession of business 11.3 Options for selling the business 11.4 Liquidation 11.5 Provisions for liquidation in Nepal	

#### **4. Prescribed Books**

##### **Basic Text book**

Hisrich, Manimala, Peters, and Shepherd, Entrepreneurship, Mcgraw hills

David H Holt (2011), *Entrepreneurship and new venture formation*, Prentice hall India

##### **Reference Books**

Rajeev Roy, Entrepreneurship, Oxford University Press

Kaniska Bedi, (2009), Management and Entrepreneurship, Oxford Publication Press

Blundel and Lockett, (2011), Exploring Entrepreneurship, Practices and Perspectives, Oxford Publication Press.

**Others:** *Teacher has to refer published articles and websites for issues relating to Nepalese context*

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Auditing**

Course Code: **ACC 342**

Nature of the course: Theory

Year: Fourth

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period: 1 hr.

Total periods: 120

### 1. Course and Objective:

The course aims to familiarize the students with the basic concepts of Auditing and its Practice.

**A. The general objectives of the course is to provide the student with the knowledge and skills required to conduct auditing by enabling them to handle internal audit and investigation works of different organizations and in various situations independently.**

B. Specific objectives	Contents	LH
<ul style="list-style-type: none"> <li>• Define the meaning of ‘Auditing’</li> <li>• Describe the evolution of auditing practice in Nepal</li> <li>• Describe scope of auditing</li> </ul>	<p><b>Unit I: Conceptual foundation</b></p> <p>1.1 Concept and definition of auditing</p> <p>1.2 Nature and scope, Evolution of auditing practices in Nepal</p> <p>1.3 Advantages of auditing and its objectives</p> <p>1.4 Detection and prevention of fraud and errors with practical dealings</p>	<b>6</b>
<ul style="list-style-type: none"> <li>• Explain the audit programs and its contents</li> <li>• Describe the organization of audit staff</li> <li>• Point out the different types of auditing</li> <li>• Provide the knowledge for audit note books</li> </ul>	<p><b>Unit II: Planning an audit</b></p> <p>2.1.Preparations before audit</p> <p>2.2.Audit programs, contents of audit programs, techniques and preparation of audit program</p> <p>2.3.Audit working papers; Audit note books, objectives, techniques of audit note book, and its contents.</p> <p>2.4.Organization of audit staffs, job description, conduct of an audit work, continuous audit, periodical audit, interim audit, partial audit</p> <p>2.5.Tax audit, cash audit, Cost audit, Management audit.</p>	<b>12</b>
<ul style="list-style-type: none"> <li>• Understand the concept of internal check and control.</li> <li>• Essential, advantages and disadvantages of internal check and control.</li> <li>• Describe the role of internal auditor</li> </ul>	<p><b>Unit III: Internal check and control</b></p> <p>3.1. Concept, objectives, essential characteristics, advantages and disadvantages, internal check and internal audit</p> <p>3.2.Effect of internal control and internal audit, test check and its use of distinctive tricks,</p> <p>3.3.Role of internal auditor.</p> <p>3.4.Difference between statutory audit and internal</p>	<b>12</b>



<ul style="list-style-type: none"> <li>Differentiate the statutory and internal audit.</li> </ul>	audit	
<ul style="list-style-type: none"> <li>Describe the meaning, objectives, and importance of Vouching, Verification and Valuation</li> <li>Explain the valuation of different types of assets and liabilities</li> </ul>	<p><b>Unit IV: Vouching, Verification and Valuation</b></p> <p>4.1. Meaning, objective and importance of Vouching</p> <p>4.2. Vouching of cash transactions, payments, receipts, cash and credit sales</p> <p>4.3. Internal checks as regard to cash sale, cash discount allowed and return, credit sale</p> <p>4.4. Vouching of purchase, cash and credit purchase, Internal checks as regard to cash purchase, discount received and return, credit purchase, discount received and return</p> <p>4.5. Factors to be considered while vouching</p> <p>4.6. Concept of verification and valuation</p> <p>4.7. Importance of verification and valuation</p> <p>4.8. Difference between valuation and verification</p> <p>4.9. Difference between verification and vouching</p> <p>4.10. Valuation of fixed assets, current assets, and wasting assets</p> <p>4.11. Auditor's position as regards to verification and valuation of assets</p> <p>4.12. Verification of liabilities, capital loans and long term loans, trade creditors, outstanding liabilities for expenses, bills payable, contingent liabilities, confirmation and verification.</p>	28
<ul style="list-style-type: none"> <li>Understand the impersonal ledgers</li> <li>Define the divisible profits and Dividends</li> </ul>	<p><b>Unit V: audit of impersonal ledgers and Divisible profits</b></p> <p>5.1. Capital expenditure, revenue expenditure and deferred revenue expenditure.</p> <p>5.2. Outstanding expenses and income, repairs and renewals.</p> <p>5.3. Prepaid expenses, contingent liabilities and assets.</p> <p>5.4. Concept of profit and divisible profit, consequences of incorrect valuation of profit</p> <p>5.5. Factors affecting dividend</p> <p>5.6. Dividend on preference shares, cumulative and non-cumulative preference shares, unclaimed dividend.</p>	10
<ul style="list-style-type: none"> <li>Understand the depreciations concern with auditor's duty</li> <li>Understand the reserve</li> </ul>	<p><b>Unit VI: depreciation, reserve and Provision</b></p> <p>6.1. Concept, Causes, Methods of depreciation</p> <p>6.2. Difference between fluctuation and depreciation, obsolescence and depreciation</p>	8

and provision concern with auditor's duty	6.3.Auditor's duty in connection with depreciation 6.4.Concept, needs and types of reserve and provisions 6.5.Auditor's duty in connection with different Reserve and provisions.	
<ul style="list-style-type: none"> <li>Understand the accounting errors, location of errors and their rectifications.</li> </ul>	<b>Unit VII: Rectification of Errors</b> 7.1 Meaning and concept of accounting errors and their rectifications 7.2. Rectification of errors in the next accounting year or after preparing Trial balance	4
<ul style="list-style-type: none"> <li>Explain the auditing standards</li> <li>Describe the audit report in context of Nepal.</li> </ul>	<b>Unit VIII: Standard Audit Practices</b> 8.1. Statements on standard auditing practices 8.2 .Nepalese accounting standards, other statements on accounting and auditing, Guidance notes, Opinions, Basic Principles governing an audit. 8.3. Objective and scope of audit of financial statement, planning an audit, audit engagement letters, working papers.	5
<ul style="list-style-type: none"> <li>Explain the provisions of audit related company</li> <li>Describe the audit of shares and debentures</li> <li>Understand the different issues related to audit of company.</li> </ul>	<b>Unit IX: Audit of Limited company</b> 9.1 Nature of company audit, Preliminaries before company audit, Statutory audit, Audit of preliminaries expenses, Audit of statutory general meetings, 9.2 Review of memorandum of association, articles of association 9.3 Audit of share capital, issue of shares at par, premium, and discount, issue of shares other than cash, bonus share, calls in arrears and calls in advance, forfeiture and re-issue of share 9.4 Audit of underwriting commission, transfer fees, brokerage and commission 9.5 Audit of debentures; issued at par, premium and discount, Redemption of debentures,	15
<ul style="list-style-type: none"> <li>Explain the provisions of appointment, remuneration, duties, and liabilities of an auditor as described company act of Nepal.</li> </ul>	<b>Unit X: Appointment, Remuneration and duties of an Auditor</b> 10.1 Qualification of an auditor of a company as per Nepal company act. 10.2 Appointment, remuneration, qualities of an auditor as per company act. 10.3 Rights and duties of an auditor, Removal of	6

	<p>an auditor</p> <p>10.4 Liabilities of an auditor</p> <p>10.5 Joint audit</p>	
<ul style="list-style-type: none"> <li>• Explain out the auditor's report and ethical issues.</li> </ul>	<p><b>Unit XI: Auditor's Report and Professional Ethics</b></p> <p>11.1 Distinction between reports and certificates, contents of audit report,</p> <p>11.2 Types of opinion, qualification in auditor's report, Audit reports of companies, signing of audit report,</p> <p>11.3 Ethical standards of professional accountants</p>	<b>4</b>
<ul style="list-style-type: none"> <li>• Describe the government audit procedures in Nepal.</li> <li>• Understand the Auditor General in Governmental Audit</li> </ul>	<p><b>Unit XII: Government Audit in Nepal</b></p> <p>12.1 Concept, objective, nature and evolution, difference between governmental audit and commercial audit</p> <p>12.2 Misappropriation and procedure for regulation, roles of comptroller, general, final audit, Audit of expenditure, debts, deposit, remittances and stores</p> <p>12.3 Roles of Auditor General in Governmental audit and public Accountant Committee.</p> <p>12.4 Directives of office of Auditor general</p> <p>12.5 Government auditing Standard</p>	<b>10</b>

**Text books:**

1. Gupta, Kamal: *Contemporary Auditing*, Tata Mc-Graw-Hill Publishing Company Ltd. New Delhi
2. Tandon B.N., Sudharsanam S. and Sundharabahu S.: *A Handbook of Practical Auditing*, S. Chanda & Company Ltd. Ramnagar, New Delhi.
3. Ramaswamy, M.S., *Auditing*, S. Chand & co., New Delhi.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Taxation in Nepal**

Course Code: **ACC 341**

Nature of the course: Theory

Year: Fourth

Level: BBS

Full Marks: 100

Pass Marks: 45

Time per period: 1 hr.

Total periods: 120

### 1. Course Introduction:

The course aims to familiarize the students with the basic concepts of taxation and its practice.

### 2. Objective:

The objective of the course are to provide the students about knowledge of general principles and practices of tax laws in Nepal and develop in the basic skill required to work as a tax officer or tax consultants in the private sectors.

### 3. Course Contents:

Learning Objectives	Units and Contents	L.H
<ul style="list-style-type: none"><li>Define the meaning of tax</li><li>Describe the objective of tax</li><li>Describe the types of tax</li><li>Describe the principle of taxation</li></ul>	<b>Unit 1 Conceptual Foundation</b> 1.1 Meaning and objective of tax 1.2 Classification of taxes 1.3 Canons of taxation	<b>3</b>
<ul style="list-style-type: none"><li>Understand History of evolution of income tax</li><li>Knowledge About income tax act 2058 and relation with other laws</li></ul>	<b>Unit 2 Taxation of income in Nepal</b> 2.1 Historical background of evolution of income tax in Nepal. 2.2 Features Of Income tax Act, 2058. 2.3 Income tax act and its relation with other laws: Constitution, Finance Act, Income tax rule, Provisional tax Realization Act, Legal precedents established by court.	<b>4</b>
<ul style="list-style-type: none"><li>Understand the meaning of basic term income</li></ul>	<b>Unit 3 Definition of basic terms Income</b> 3.1 Concepts recurring and non-recurring, receipts and accrual, cash and in kinds, gross and net income. 3.2 Income year and assessment year. 3.3 Other basic terms used in Income Tax Act.	<b>4</b>
<ul style="list-style-type: none"><li>Describe the methods of tax accounting</li><li>To know About bad debts and its use</li></ul>	<b>Unit 4 Tax Accounting and Timing</b> 4.1 Cash basic accounting 4.2 Accrual basic accounting 4.3 Bad debts and its recovery 4.4 Long term contract	<b>2</b>

<ul style="list-style-type: none"> <li>Understand about natural person, entities and retirement saving</li> </ul>	<b>Unit 5 Special Provision</b> 5.1 Natural person 5.2 Entities 5.3 Retirements saving	2
<ul style="list-style-type: none"> <li>Understand about Natural personal and entity, Resident and non-resident and Single and couple</li> </ul>	<b>Unit 6 Classification and Status of an Assesse (Tax Payer)</b> 6.1 Natural personal and entity 6.2 Resident and non-resident 6.3 Single and couple	2
<ul style="list-style-type: none"> <li>Understand about tax exemptions and concession</li> </ul>	<b>Unit 7 Exemptions and concessions</b> 7.1 Tax-exempt organization 7.2 Exempted amounts to individual and couple 7.3 Exemptions and Concessions for business 7.4 Other exemptions: including final deduction at source.	3
<ul style="list-style-type: none"> <li>Clearly know about expenses excluding deduction</li> <li>To collect knowledge about the capital expenditure and capital loss</li> </ul>	<b>Unit 8 Expenses Expressly Disallowed for Deduction</b> 8.1 Personal and domestic expenses 8.2 Income tax paid under this act, fines and penalties 8.3 Expenses made for acquiring tax free income 8.4 Cash payment in excess of Rs.50,000 at a time 8.5 Distribution of profits by an entity 8.6 Expenses not relating to earning of income 8.7 Capital expenditure and capital loss 8.8 Other expenditure not allowed	4
<ul style="list-style-type: none"> <li>Understand the meaning of reductions allowed while computing taxable income</li> </ul>	<b>Unit 9 Reductions allowed while computing taxable income</b> 9.1 Contribution to recognized refinement fund 9.2 Contribution made to philanthropic works(Donation)	1
<ul style="list-style-type: none"> <li>Understand meaning and use of capital and revenue income</li> </ul>	<b>Unit 10 Capital and Revenue</b> 10.1 Capital and revenue income 10.2 Capital and revenue expenditure 10.3 Capital and revenue loss	2
<ul style="list-style-type: none"> <li>Understand about heads of income and its classification</li> <li>Understand about sources of income and its classification</li> </ul>	<b>Unit 11 Heads and sources of income</b> 11.1 Concept of heads of income 11.2 Classification of heads of income: Income from employment(Remuneration), Income from business profession, vocation, income from investment 11.3 Sources of incomes: Domestic and foreign	2
<ul style="list-style-type: none"> <li>To provide knowledge payment received after final tax deduction and facilities provided by employer.</li> </ul>	<b>Unit 12 Amounts excluded while computing Income from employment (Remuneration):</b> 12.1 Payment received after final tax deduction at source (Final withholdings) Free meal or refreshment provided to all employees 12.2 Reimbursement of cost incurred on discharge of	3

	official duty 12.3 Payments in small amount	
<ul style="list-style-type: none"> <li>• Understand the concept of employment and employment income</li> <li>• Understand Relationship between employee and employer</li> <li>• To know about amount included or excluded from employment income</li> </ul>	<b>Unit 13 Income from employment (Remuneration)</b> 13.1 Concept of Employment (Remuneration) 13.2 Employer and employee relationship 13.3 Employment and self-employment 13.4 Computation of income from employment: Incomes included under the head of the employment(remuneration) 13.5 Pay, salary, wages, salary in lieu of leave, overtime pay, fees, commissions, prizes, gifts, bonus and payment for other facilities including pension perquisites 13.6 Allowances: dearness, personal, cost of living subsistence, rent, entertainment 13.7 Transportation 13.8 Discharge or reimbursement of cost incurred by an individual or an associate of the individual for personal use 13.9 Payment made to an individual as per agreement under any condition of the employment 13.10 Payment for redundancy or loss or termination of the employment 13.11 Retirement contribution paid by the employer to a retirement fund in respect of employee, and retirement payments 13.12 Other payments made in respect of employment : Dashain Kharcha, Tiharkharcha, reimbursement of personal and family expenses 13.13 Compensation received from the insurance company	<b>18</b>
<ul style="list-style-type: none"> <li>• Understand about the facilities provided by the employer</li> </ul>	<b>Unit 14 Valuation of perquisites:</b> 14.1 Vehicle provided for personal and official used 14.2 Rent free accommodation for personal purpose 14.3 Facilities provided by employer in the form of water, electricity, telephone 14.4 Bills directly paid by employer 14.5 Services paid by employer	<b>3</b>

<ul style="list-style-type: none"> <li>Understand about incomes received from other parties (other than employer)</li> </ul>	<p><b>Unit 15 Other Incomes</b></p> <p>15.1 Income received from third party on behalf of employer</p> <p>15.2 Income received from person other than employer</p> <p>15.3 Interest paid on soft loans</p> <p>15.4 Reductions allowed while computing assessable (Net) income from employment (remuneration):</p> <p>Contribution made to approved retirement fund: provident fund and pension fund, Citizen investment fund</p>	<p><b>3</b></p>
<ul style="list-style-type: none"> <li>Understand the concept about income from business and profession</li> <li>Know about income gained from business and profession (profit gained, gifts received, Compensation received, investment related income from person connected to business, bad debts recovered and other costs)</li> </ul>	<p><b>Unit 16 Income from Business and Profession:</b></p> <p>16.1 Method of computation net income from business, profession or vocation</p> <p>16.2 Concept</p> <p>16.3 Income included under the head of business, profession or vocation</p> <p>16.4 Profit of gain from business, or profession and service fees</p> <p>16.5 Disposal or sale of trading stock i.e. inventories</p> <p>16.6 Net gain on disposal of business assets</p> <p>16.7 Liabilities forgone</p> <p>16.8 Gain on sale of depreciable assets used in business</p> <p>16.9 Gift received from parties</p> <p>16.10 Compensation received in restraint of business</p> <p>16.11 Investment related income received from a person connected to business.</p> <p>16.12 Incomes are to be included under chapter 6 and 7 of IT Act 2058. (a) Income under chapter 6:</p> <p>16.13 Unpaid amount of outstanding expenses</p> <p>16.14 Gain on exchange rate</p> <p>16.15 Bad debts recovered (b) Income under chapter 7:</p> <p>16.16 Compensation received against loss</p> <p>16.17 Interest on bank account</p> <p>16.18 Admissible expenses while computing net income from business and profession:</p> <p>16.19 General deduction</p> <p>16.20 Interest</p> <p>16.21 Cost of trading stock including under and over valuation of stock</p> <p>16.22 Repair and improvement cost</p> <p>16.23 Pollution control cost</p> <p>16.24 Research and development cost</p> <p>16.25 Depreciation cost</p> <p>16.26 Business losses</p>	<p><b>18</b></p>

<ul style="list-style-type: none"> <li>• Understand the meaning of investment and investment income</li> <li>• To know about income gained form different aspects like gifts received for parties, gains from the disposal of the non-business chargeable assets of the investment, gain from insurance, from compensation</li> <li>• Know about general expenses , interest, depreciation, investment loss</li> </ul>	<p><b>Unit 17 Income from Investments</b></p> <p>17.1 Concept</p> <p>17.2 Computation of income from investment</p> <p>17.3 Incomes included under the head</p> <p>17.4 Dividend, interest, natural resource payment, rent, royalty, gain from investment insurance, gain from an unapproved retirement fund retirement payment made by an approved retirement fund</p> <p>17.5 Net gains from the disposal of the non-business chargeable assets of the investment</p> <p>17.6 Net gain on the disposal of depreciable assets of the investment</p> <p>17.7 Gift received from parties</p> <p>17.8 Retirement contribution including those paid to a retirement fund excluded under the head employment</p> <p>17.9 Compensation received in restrain of investment</p> <p>17.10 Other amounts required to be included under chapter 6 and 7</p> <p>17.11 Other incomes not included in any other head of incomes.</p> <p>17.12 Admissible expenses while computing net income from investment</p> <p>17.13 General expenses</p> <p>17.14 Interest</p> <p>17.15 Depreciation</p> <p>17.16 Investment loss</p>	<p><b>10</b></p>
<ul style="list-style-type: none"> <li>• Know about total income</li> <li>• Understand about net income employment, business and investment</li> <li>• Understand about reduction allowed, donations to exempts organization, Assessment of tax liabilities</li> <li>• Know about tax rate, medical tax credit</li> </ul>	<p><b>Unit 18 Computation of Net (Assessable) Income, Taxable income and Assessment of Tax Liability</b></p> <p>18.1 Statement of Total Income:</p> <p>18.2 Net (Assessable) income from employment</p> <p>18.3 Net (Assessable) income from business</p> <p>18.4 Net (Assessable) income from investment</p> <p>18.5 Reduction allowed while computing total income:</p> <p>Contribution to recognized retirement fund</p> <p>18.6 Donation/gifts to tax exempt organizations.</p> <p>18.7 Assessment of Tax liability</p> <p>18.8 For natural resident person</p> <p>18.9 Exemptions- Personal limit- remote area, life insurance</p> <p>18.10 Tax rate</p> <p>18.11 Medical tax credit</p> <p>18.12 For non-natural person or entity</p>	<p><b>5</b></p>
<ul style="list-style-type: none"> <li>• Understand about the income gained from disposal of non-</li> </ul>	<p><b>Unit 19 Income from disposal of Non-Business Chargeable Assets</b></p> <p>19.1 Assets included in NB chargeable assets</p>	<p><b>4</b></p>



business chargeable assets	19.2 Condition for disposal 19.3 Computation of gain or losses	
<ul style="list-style-type: none"> <li>• Background</li> <li>• Understand the methods of setting off of losses</li> <li>• Treatment of losses</li> </ul>	<b>Unit 20 Set off Carry Forward of Losses</b> 20.1 Set off carry forward of business losses 20.2 Set off of investment losses	<b>4</b>
<ul style="list-style-type: none"> <li>• Understand about the tax authorities and their power, rights and duties</li> </ul>	<b>Unit 21 Tax Administration: Tax Authorities and Their Powers, Rights and Duties</b> 21.1 His Majesty's Government 21.2 Director General 21.3 Deputy Director General 21.4 Chief Tax Administrator 21.5 Director 21.6 Chief tax officer 21.7 Tax officer and other officers 21.8 Right and duties of assessment (Tax payer) 21.9 Duties of other persons for tax deduction at source	<b>5</b>
<ul style="list-style-type: none"> <li>• To know About penalties and appeal</li> </ul>	<b>Unit 22 Penalties and Appeal</b>	<b>3</b>
<ul style="list-style-type: none"> <li>• Concept and classification of house and land</li> <li>• Understand about Rights and duties of local governments relating to house and land tax</li> <li>• About penalties and appeal</li> </ul>	<b>Unit 23 House and land tax(Based on Local Self-Governance Act, 2055)</b> 23.1 Concept of. house and land tax 23.2 Origin of house and land tax in Nepal 23.3 Classification of house and land 23.4 Tax-exempt house and land 23.5 Valuation of house and land 23.6 Assessment of house and land tax 23.7 Rights and duties of property holder 23.8 Rights and duties of local governments relating to house and land tax 23.9 Penalties and appeal	<b>8</b>
<ul style="list-style-type: none"> <li>• Understand meaning of VAT</li> <li>• Understand methods of computation, collection, realization and refund , keeping records , role of VAT</li> </ul>	<b>Unit 24 Value Added Tax (VAT)</b> 24.1 Concept of VAT 24.2 Origin and evolution of VAT 24.3 Principles governing added income statement 24.4 Method of computation of VAT 24.5 Role of VAT 24.6 Method of collection, realization and refund of VAT 24.7 Method of keeping records of VAT 24.8 Comparative studies of sales tax, excise duties and VAT	<b>7</b>

## References:

- Amatya, S.K, Dr.Phokharel, B.B, Dahal R.K., **Taxation in Nepal**, M.K Publisher and Distributers, Kathmandu.
- Rai, I.M and Banskota N.P, **Nepal kokarPranali**, KumariPustakPrakashan Kathmandu.
- Government of Nepal Income Tax 2058 with amendment.
- IshworBhattraai and Girija Prasad Koirala, Nepal kokarpranali, Asmita Publication, ktm Nepal.
- K.P Aryal, Surya Prasad Paudel, Taxation In Nepal, BhundipuramPrakashan, ktm.
- Government Of Nepal Income Tax rules 2059 amendment.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Insurance and Risk Management**  
Course Code: **FIN 342**  
Nature of the course: Theory  
Year: Fourth  
Level: BBS

Full Marks: 100  
Pass Marks: 45  
Time per period: 1 hr.  
Total periods: 120

**1. Course Description**

This is first course in insurance and risk management. Therefore, it starts with introduction of risk management followed by risk identification and measurement, pooling arrangements and diversification of risk, analysis tools used in corporate risk management, insurance companies and their management, principles of insurance, insurance company operations and financial management of insurance companies.

**2. Course Objective**

The objective of this course is to provide students with basic understandings of fundamental concepts and principles of insurance and risk management. Students will be able to apply these concepts and principles in identifying and managing risk through insurance.

**Contents in detail**

<b>Learning objectives</b>	<b>Units and contents</b>
<ul style="list-style-type: none"> <li>• Understand the concept of risk and differentiate between risk and uncertainty.</li> <li>• Learn about causes of losses—perils and the hazards</li> <li>• Explain the types of risk and burden of risk on society.</li> </ul>	<p><b>Unit 1: Introduction <span style="float: right;">6 hours</span></b></p> <p>1.1. Concept of risk: 1.1.1. Defining risk 1.1.2. Uncertainty and its relationship with risk 1.1.3. The degree of risk 1.2. Types of risk: 1.2.1. Pure and speculative risk 1.2.1. Fundamental and particular risk 1.2.2. Enterprise risk 1.3. Burden of risk on society</p>
<ul style="list-style-type: none"> <li>• Understand the meaning and characteristics of risk management.</li> <li>• Describe the benefits of risk management for organization and know risk manager's job</li> <li>• Explain the steps in risk management process.</li> </ul>	<p><b>Unit 2: Risk management: <span style="float: right;">10 hours</span></b></p> <p>2.1. Definition and tools; 2.2. Risk management as a business function: 2.2.1. Distinguishing characteristics of risk management, 2.2.2. Risk management's contribution to the organization, 2.2.3. The risk manager's job, 2.2.4. Risk management and speculative risk; 2.3. Risk management process: 2.3.1. Determination of objectives, 2.3.2. Identifying risk exposures 2.3.3. Evaluating risks</p>

	2.4. Consideration of alternatives and selection of the risk treatment device.
<ul style="list-style-type: none"> <li>• Understand the concept of risk management tools.</li> <li>• Understand the use of different risk management tools.</li> </ul>	<b>Unit 3: Tools Used in Corporate Risk Management -----10 hours</b> 3.1. Risk management tools; 3.2. Calculating frequency and severity of losses from historical data; 3.3. Using Entire probability distributions; Correlation analysis; 3.4. Use of discounted cash flow analysis.
<ul style="list-style-type: none"> <li>• Understand the meaning, need, evolution and principles of insurance.</li> </ul>	<b>Unit 4: Introduction of Insurance 6 Hours</b> 4.1. Concept of Insurance, 4.2. Need for Insurance, 4.3. Historical background of insurance business, 4.4. Basic terms of insurance and types of insurance.
<ul style="list-style-type: none"> <li>• Explain different principles of insurance in detail.</li> </ul>	<b>Unit 5: Principles of Insurance 8 hours</b> 5.1. Principles of insurance: 5.1.1. Principles of indemnity, 5.1.2. principles of insurable interest, 5.1.3. principle of subrogation, 5.1.4. principle of utmost good faith; 5.2. Requirements of an insurance contract, 5.3. Laws in insurance.
<ul style="list-style-type: none"> <li>• Understand the meaning, features of life insurance.</li> <li>• Describe the principles of life insurance policy.</li> <li>• Explain the types of life insurance policies.</li> <li>• Enable to understand the procedure of effecting life insurance.</li> <li>• Understand evolution, current status, and major policies of life insurance in Nepal.</li> </ul>	<b>Unit 6: Life Insurance 16 hours</b> 6.1. Meaning and definition, 6.2, Features of life insurance 6.2.1. Contractual nature, 6.2.2. Insurance interest and 6.2.3. Existence of Insurance interest, 6.2.4. Material facts, Full disclosure, 6.2.5. Facts not required to be disclosed , 6.2.6. Warranty and its breach, 6.2.7. Proximate clause, 6.2.8. Nomination and other features. 6.3. Classification of the Life Insurance Policies: 6.3.1. Whole life Policies, their features and purposes. 6.3.2. Term policies, their features and purposes. 6.3.3. Endowment Policies, their features and purposes. 6.3.4. Money back policies, their features and purposes. 6.3.5. With or without profit policies, their features and purposes. 6.3.6. Pension schemes, their features and purposes.

	6.4. Life insurance in Nepal: evolution, current status, and major policies.
<ul style="list-style-type: none"> <li>• Understand the concept scope and types of non life insurance.</li> <li>• Enable to make distinction between life and non life insurance.</li> <li>• Understand the terms reinsurance and contribution and its computation.</li> </ul>	<b>Unit 7: General Insurance/ Nonlife Insurance 6 hours</b> 7.1. Introduction: 7.1.1. History of general Insurance business in Nepal, 7.1.2. Scope and functions of general Insurance. 7.1.3. Classification of General Insurance, 7.2. Cover note, 7.3. Reinsurance, 7.4. Contribution, 7.5. Calculation of contribution.
<ul style="list-style-type: none"> <li>• Understand the concept, scope and types of fire insurance policies.</li> <li>• Explain the risks covered under fire insurance.</li> <li>• Describe the property and risks not covered under fire insurance.</li> <li>• Enable to understand the procedure of effecting fire insurance.</li> </ul>	<b>Unit 8: Fire Insurance; 8 hours</b> 8.1. Meaning and Scope and role of fire insurance 8.2. Types of policies 8.3. Perils covered 8.5. Special perils and special policies 8.6. Excluded perils, property and losses 8.7. Fire policy rating and tariff declaration and floating policy 8.8. Problems.
<ul style="list-style-type: none"> <li>• Understand the historical background of marine insurance.</li> <li>• Describe the concept, need and types of marine insurance.</li> <li>• Explain the risks covered under marine insurance.</li> <li>• Understand the types of losses and their computation.</li> <li>• Enable to understand the procedure of effecting fire insurance.</li> </ul>	<b>Unit 9: Marine Cargo and Marine Hull Insurance : 10 hours</b> 9.1. Marine cargo Insurance: 9.1.1. Meaning and Scope 9.1.2. Classes 9.2. Cargo Insurance. 9.3. Marine Hull Insurance: 9.3.1. Hull Insurance 9.3.2. Risks covered 9.3.3. Rating and underwriting 9.3.4. Information required for acceptance 9.3.5. Types of losses 9.3.6. General average and particular average computation.
<ul style="list-style-type: none"> <li>• Understand provision of motor vehicles insurance.</li> <li>• Explain the types of vehicles and types of policies.</li> <li>• Enable to understand the process of effecting motor insurance and claim settlement.</li> <li>• Describe the current status and challenges of motor insurance in Nepal.</li> <li>• Understand different types of insurance policies and process of effecting these</li> </ul>	<b>Unit 10: Miscellaneous Insurance-----24 hours</b> <b>10.1. Motor Insurance:</b> 10.1.1. Compulsory Insurance Provision of Motor Vehicles, 10.1.2. Types of vehicles, 10.1.3. Types of policies, 10.1.4. Bonus/Malus clause, 10.1.5. documents required for claim settlement, 10.1.6. Automobile insurance in Nepal: current status, and major issues. 10.1.7. Process of effecting automobile insurance

<p>policies.</p> <ul style="list-style-type: none"> <li>• Understand the current status and challenges of Social security schemes and health insurance in Nepal.</li> </ul>	<p>10.2. Personal accidents and sickness Insurance,  10.3. Burglary Insurance;  10.4. Fidelity guarantee insurance,  10.5. Liability insurance,  10.6. Workers compensation; and Social security schemes in Nepal  10.6.1. Unemployment insurance;  10.6.2. Old-age survivors and disability insurance;  10.7. Engineering insurance,  10.8. Live stock and cattle insurance,  10.9. Crop insurance  10.9.1. Crop insurance in Nepal  10.10. Medclaim/health insurance  10.10.1. Features and purpose  10.10.2. Individual and group policies  10.10.3. Health care insurance coverage;  10.10.4. Health insurance in Nepal: current status and major challenges.</p>
<ul style="list-style-type: none"> <li>• Understand the formation of insurance company and ownership types.</li> <li>• Describe the organizational structure and departmentalization in insurance companies.</li> <li>• Explain the functions, rights and responsibilities of each department</li> <li>• Understand how life and non life insurance companies are managed.</li> </ul>	<p><b>Unit 11: Insurance Companies and Their Management 6 hours</b>  11.1. Formation of insurance companies;  11.2. Ownership types of insurance companies;  11.3. Organizational structure  11.3.1. Concept of departmentalization;  11.3.2. Scope, authorities and responsibilities of each department;  11.4. Management of life, non-life and reinsurance companies.</p>
<ul style="list-style-type: none"> <li>• Explain the historical background of insurance in Nepal.</li> <li>• Describe the rules and regulations pertaining to insurance in Nepal.</li> <li>• Describe the functions and powers of insurance board Nepal.</li> <li>• Make familiar to RBS its organizational structure and services.</li> </ul>	<p><b>Unit 12: Insurance business in Nepal-----10 hours</b>  12.1. History of insurance business in Nepal,  12.2. Regulatory frame work of insurance in Nepal,  12.3. Key features of Insurance Act 2049 and Insurance Regulation, 2049,  12.4. Insurance Board: Functions, Duties and Powers of the Board;  12.5. Rastriya Beema Sansthan: Introduction, organizational structure and services of RBS.</p>

**Basic Texts**

Harrington, E. Scott and Niehaus R. Gregory. *Risk Management and Insurance*. New Delhi: Tata McGraw Hill.

Rejda, George E. *Principles of Risk Management and Insurance*. New Delhi: Pearson Education.

**References**

Dorfman, M. S. *Introduction to Risk Management and Insurance*. New Delhi: Prentice Hall.

Arthur, Williams, C. Smith, Michael L. & Young, Peter C. *Risk Management and Insurance*. New Delhi: Tata McGraw Hill.

# FAR WESTERN UNIVERSITY

## Faculty of Management

Course Title: **Investment Management**

Full Marks: 100

Course Code: **FIN 341**

Pass Marks: 45

Nature of the course: Theory

Time per period: 1 hour.

Year: Fourth

Total periods: 120

Level: BBS

### 1. Course Description

The course deals with the tools and techniques of investments and their application in investment management. The topics covered are: The investment environment, Securities markets and market indices, trading of securities, Portfolio theories, capital assets pricing model, financial analysis, analysis of equity security and fixed income securities and Portfolio performance evaluation.

### 2. Course Objective

The major purpose of this course is to familiarize students with financial investment environment and it's dynamics. The course encourages students to understand and apply the theories and techniques of analyzing securities in isolation and in the context of portfolio. It also aims at enabling students to make investment decisions.

Specific Objectives	Contents
<ul style="list-style-type: none"> <li>• Acquaint students to understand the concept and and the investment environment.</li> <li>• Outline the steps investment decision process.</li> <li>• Discuss key factors that affect the investment decision process.</li> </ul>	<p><b>1. Introduction .....4 LH</b></p> <p>1.1. Defining investments: investment and investing</p> <p>1.2. Investment and investing</p> <p>1.3. The investment environment: Securities, risk return and diversification, Security market, Financial intermediaries</p> <p>1.4. The Investment Process: Investment Policy, Security analysis, Portfolio Construction, Portfolio revision, Portfolio Performance Evaluation.</p> <p>1.5. Security Investment alternatives</p> <p>1.6. Factors to be considered in choosing among investment alternatives.</p>
<ul style="list-style-type: none"> <li>• Distinguish between primary and secondary markets.</li> <li>• Describe how the equity markets are organized and how they operate.</li> <li>• Define third and fourth</li> </ul>	<p><b>2. Securities Market:..... 12 LH</b></p> <p>2.1. Security markets:</p> <p>2.1.1. Primary markets &amp; Secondary markets</p> <p>2.1.2. Third and Fourth market.</p>

<p>markets.</p> <ul style="list-style-type: none"> <li>• Describe, briefly, the Regulation of security Market in Nepal</li> <li>• Understand different types of market index and their computation</li> </ul>	<p>2.1.3. Organized securities exchanges</p> <p>2.1.4. Over-the counter markets (OTC).</p> <p>2.1.5. Call and continuous Market</p> <p>2.1.6. Major Markets in the world</p> <p>2.1.7. Stock quotations</p> <p>2.1.8. Securities market in Nepal</p> <p>2.1.9. Regulation of security Market in Nepal (Clearing Procedures, Commissions, Transaction Costs)</p> <p>2.2. Market Indexes</p> <p>2.2.1. Introduction</p> <p>2.2.2. Types and construction of market index.</p> <p>2.2.2.1. Price Weighted Index</p> <p>2.2.2.2. Value Weighted Index</p> <p>2.2.2.3. Equal Weighted Index</p> <p>2.2.2.4. Geometric Mean</p>
<ul style="list-style-type: none"> <li>• Explain the role of brokerage firms and stockbrokers.</li> <li>• Describe the operation of brokerage firms .</li> <li>• Outline the process of buying and selling securities and execution of order.</li> <li>• Explain the importance of margin trading and short selling to investors.</li> <li>• Analyze the HPR, Margin call and investor's financial position under margin purchase and short sale.</li> </ul>	<p><b>3. Buying and Selling Securities ..... 8 LH</b></p> <p>3.1. Order Size</p> <p>3.2. Time Limit</p> <p>3.3. Types of Orders</p> <p>3.3.1. Market Orders</p> <p>3.3.2. Limit Orders</p> <p>3.3.3. Stop Orders</p> <p>3.3.4. Stop Limit Orders</p> <p>3.4. Margin accounts:</p> <p>3.4.1. Margin purchase</p> <p>3.4.2. Short sales</p> <p>3.5. Trading Mechanism in Nepal</p>
<ul style="list-style-type: none"> <li>• Acquaint students to understand the concept of portfolio.</li> <li>• Familiar with utility risk premium and indifference curve.</li> <li>• Able to determine risk and return of single asset and portfolio.</li> </ul>	<p><b>4. Portfolio Selection Problem.....8 LH</b></p> <p>4.1. Concept of Portfolio</p> <p>4.2. Initial and terminal wealth</p> <p>4.3. Non-satiation and Risk Aversion</p> <p>4.4. Utility</p> <p>4.4.1. Marginal Utility</p> <p>4.4.2. Certainty Equivalents and Risk Premium</p> <p>4.5. Indifference Curve</p> <p>4.5. Calculating Expected Return and Risk of Single Asset and</p>



	Portfolio
<ul style="list-style-type: none"> <li>• Understand the efficient set and the process of selection of optimal portfolio.</li> <li>• Calculate portfolio risks.</li> </ul>	<p><b>5. Portfolio Analysis..... 10 LH</b></p> <p>5.1. The Efficient Set Theorem</p> <p>5.1.1. The Feasible Set</p> <p>5.1.2. The Efficient Set Theorem</p> <p>5.1.3. Selection of Optimal Portfolio</p> <p>5.2. Concavity of the Efficient Set</p> <p>5.3. The Market Model</p> <p>5.4. Diversification:</p> <p>5.4.1. Portfolio Total Risk</p> <p>5.4.2. Portfolio Market Risk</p> <p>5.4.3. Portfolio Unique Risk</p>
<ul style="list-style-type: none"> <li>• Understand the risk free asset, risk free lending and risk free borrowing.</li> <li>• Determining the effect of risk free lending and risk free borrowing on efficient portfolio.</li> </ul>	<p><b>6. Risk Free Borrowing and Lending.....6 LH</b></p> <p>6.1. Defining Risk Free Asset</p> <p>6.2. Risk Free Lending and Borrowing</p> <p>6.2.1. Investing in Both Risk Free Assets and Risky Assets</p> <p>6.2.2. Investing in Both Risk Free Assets and Risky Portfolio</p> <p>6.2.3. The Effect of Risk Free Lending on Efficient Set and Portfolio Selection</p> <p>6.2.4. Borrowing and Investing in a Risky Asset and Portfolio</p> <p>6.2.5. The Effect of Risk Free Borrowing and Lending on Efficient Set and Portfolio Selection</p>
<ul style="list-style-type: none"> <li>• Understand the CAPM and its underlying assumptions</li> <li>• Explain the relationship between returns and risk proposed by the CAPM.</li> <li>• Describe two important relationships in CAPM as represented by the SML and the CML.</li> <li>• Differentiate market and nonmarket risk.</li> </ul>	<p><b>7. Capital assets pricing model (CAPM)..... 6 LH</b></p> <p>7.1. Assumptions of CAPM</p> <p>7.2. The Capital Market Line (CML)</p> <p>7.2.1. The Separation Theorem</p> <p>7.2.2. The Market Portfolio</p> <p>7.2.3. The Efficient Set</p> <p>7.3. The Security Market Line (SML)</p> <p>7.3.1. Implications for Individual Risky Assets</p> <p>7.4. The Market Model</p>

	7.4.1. Market and Non- Market Risk
<ul style="list-style-type: none"> <li>• Understand different kinds of fixed income securities including money market securities, capital market securities and preferred stock.</li> </ul>	<p><b>8. Fixed Income Securities..... 5 LH</b></p> <p>8.1. Saving Deposits</p> <p>8.1.1. Commercial Banks</p> <p>8.2. Money Market Instruments</p> <p>8.3. Government securities</p> <p>8.3.1. Treasury Bills</p> <p>8.3.2. Treasury Notes</p> <p>8.3.3. Treasury Bonds</p> <p>8.3.4. Saving Bonds</p> <p>8.4. Municipal Bonds</p> <p>8.5. Corporate Bonds</p> <p>8.5.1. Tax Treatment</p> <p>8.5.2. The Indenture</p> <p>8.5.3. Types of Bonds</p> <p>8.5.4. Call Provision</p> <p>8.5.5. Sinking funds</p> <p>8.6. Foreign Bonds</p> <p>8.7. Euro Bonds</p> <p>8.8. Preferred Stock</p>
<ul style="list-style-type: none"> <li>• Calculate the price of a bond.</li> <li>• Calculate major bond yield including spot rate, forward rate and discount rate.</li> <li>• Understand the term structure of interest rate and its theories.</li> </ul>	<p><b>9. Bond Price and Yields..... 15 LH</b></p> <p>9.1. Characteristics of Bond</p> <p>9.2. Bond pricing</p> <p>9.3. Bond's Yields</p> <p>9.4. Spot Rates</p> <p>9.5. Forward Rate</p> <p>9.6. Discount factors</p> <p>9.7. Bank Discount Method</p> <p>9.8. Term Structure of Interest Rates</p> <p>9.8.1. Theories of term Structure</p> <p>9.8.2 .Yield Curves</p>
<ul style="list-style-type: none"> <li>• Account for changes in bond prices</li> <li>• Explain and apply the concept of duration.</li> </ul>	<p><b>10. Bond Portfolio Management ..... 8 LH</b></p> <p>10.1. Interest Rate Risk</p>

<ul style="list-style-type: none"> <li>• Discuss major considerations in managing a bond portfolio.</li> <li>• Differentiate between passive and active strategies for managing a bond portfolio.</li> <li>• Explain the performance evaluation of mutual fund.</li> </ul>	<p>10.2. Interest Rate and Bond Price Relationship</p> <p>10.3. Macaulay’s Duration</p> <p>10.4. Modified Duration</p> <p>10.5. Duration versus Maturity Period</p> <p>10.6. Immunizing Interest rate Risk</p> <p>10.7. Passive Bond Management</p> <p>10.8. Active Bond Management</p> <p>10.9. Bond Portfolio Performance Evaluation</p>
<ul style="list-style-type: none"> <li>• Understand and explain common stock, its features and rights of common stock holders.</li> <li>• Understand the concept of shareholders equity and preparation of shareholders equity account.</li> <li>• Explain different types of dividends, stock split and determine their impact on shareholders' equity.</li> <li>• Understand and explain the stock quotation.</li> </ul>	<p><b>11. Common Stock ..... 8 LH</b></p> <p>11.1. The corporate Form</p> <p>11.1.1. Stock certificates,</p> <p>11.1.2. Voting,</p> <p>11.1.3. Proxy Fight</p> <p>11.1.4. Takeovers</p> <p>11.1.5. Ownership versus Control</p> <p>11.1.6. Stockholder’s Equity</p> <p>11.2. Cash Dividends, stock Dividends and Stock Splits</p> <p>11.3. Preemptive Rights</p> <p>11.4. Stock Quotations</p> <p>11.5. Ex-ante and Ex-post Values</p> <p>11.6. Common Stock Betas</p>
<ul style="list-style-type: none"> <li>• Name two approaches to the valuation of common stocks used in fundamental security analysis.</li> <li>• Use the dividend discount model to estimate stock prices.</li> <li>• Explain the P/E ratio approach.</li> <li>• Understand the approaches of security analysis</li> <li>• Understand the dividend policy and its effect of payment of dividend.</li> <li>• Differentiate between technical and fundamental analysis.</li> </ul>	<p><b>12. Analysis of Common Stock</b> <span style="float: right;"><b>20</b></span></p> <p><b>LH</b></p> <p>12.1. Equity Valuation Models</p> <p>12.1.1. Balance Sheet Valuation Model</p> <p>12.1.2. Dividend Discounted Model</p> <p>12.1.2.1. The zero Growth Model</p> <p>12.1.2.2. The Constant growth Model</p> <p>12.1.2.3. The Non Constant growth model</p> <p>12.1.2.4. Valuation Based on Finite Holding Period</p> <p>12.1.2.5. Models Based on Prices-earnings Ratios</p> <p>12.2. Effect of Dividend Policy</p> <p>12.2. Effect of cash dividend payment and Non-payment</p> <p>12.3. Financial Analysis of Common Stock</p>

	12.3.1. Reasons for Financial Analysis 12.3.1. Fundamental Analysis 12.3.2. Technical Analysis 12.3.3. Financial Statement Analysis 12.3.4. Analysis of Financial Ratios
<ul style="list-style-type: none"> <li>• Distinguish between direct and indirect investing.</li> <li>• Understand the functions of investment companies</li> <li>• Compute the NAV of fund.</li> <li>• Define open-end and closed-end investment funds.</li> <li>• State the major types of mutual funds and give their features.</li> <li>• Identify the cost of investing in mutual funds.</li> <li>• Compute the rate of returns of mutual fund.</li> </ul> Describe the present status of mutual fund in Nepal.	<b>13. Mutual Fund and Investment Companies ..... 8 LH</b> 13.1. Investment Companies 13.2. Benefits of Investment Companies 13.3. Types of Investment Companies 13.3.1. Unit Investment Trust(UTI) 13.3.2. Managed Investment Companies 13.4. Mutual Funds and Their Investment Policies 13.5. Cost of investing in Mutual Funds 13.6. Mutual Fund Returns 13.7. Taxation of Mutual Fund Income 13.8. Closed-end fund premiums and Discounts 13.9. Mutual Funds in Nepal
<ul style="list-style-type: none"> <li>• Understand the concept of portfolio performance measure.</li> <li>• Evaluate the portfolio performance using three measures (appraisal ratios).</li> </ul>	<b>14. Portfolio Performance Evaluation.....2 LH</b> 14.1. Treynor, Sharpe, Jensen, performance measure. 14.2. Application of portfolio performance measures.

**Texts**

Rielly, F. K., and Brown, K. C. *Analysis of Investments & Management of Portfolio*. 10<sup>th</sup> eds. Delhi: Cengage Learning India Pvt. Ltd.

Sharpe, William F., Gordon J. Alexander, and Jeffery V. Bailey, *Investments*, New Delhi: Prentice Hall Ltd.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Selling and Distribution Management**  
Course Code: **MKT 341**  
Nature of the course: Theory  
Year: Fourth  
Level: BBS

Full marks: 100  
Pass Marks: 45  
Time per period: 1 hour  
Total periods: 120

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**Unit-I: Introduction**

Meaning and evolution of sale management, Nature and importance of sales management, Objectives and functions of sales management, Role and skill of sales managers  
Emerging trends in sales management: Global perspective; Customer relationship marketing; Sales force diversity; Team selling approach; Ethical and social issues

**Unit-II Sales process.**

Psychology in selling; Buying decision process, Sales process: Prospecting- Methods of prospecting, Evaluating and qualifying prospects, Pre-approach, Approach  
Sales presentation and dramatization, Meaning and importance of sales presentation, Planning the presentation, presentation

Dramatizing sales presentation

Power of dramatization

Overcoming objections

Reasons for objection

Effective methods of handling objections

Closing sales and building customer relations

**Unit- III sales force management**

Planning the sales force

Recruitment and selection of sales force

Training the sales force

Motivating the sales force

Sales force audit

Marketing cost and profitability analysis

Social responsibility

Business ethics and sales management

**Unit-IV: Distribution management**

Concept and importance of distribution management

Components of distribution management

Marketing channels:

Channel structure (Factors affecting channel structure, Channel co ordination

Channel power, Channel conflict and channel dynamics)

**Unit- V: Channel institutions**

Retailing (meaning ,types of retailers role of retailer in consumer communication, E-Tailing)

Wholeselling (Meaning, functions, role and limitations)

**Unit-VI: Physical Distribution**

Concept and importance of physical distribution

Focus areas of physical distribution system:

Transportation  
Warehousing  
Inventory management  
Service driven logistic system

**Basic Books:**

Tanner,J; Honneycutt ED; Erffmeyer Robbort C; **sales management**, Pearson Education, 2009.  
Havaladar, K. K. and Cavale, M. V; Sales and Distribution Management, McGraw Hill Education, New Delhi, 2015.

**Reference Books:**

Stem,L. W. and EI- Ansary, **A marketing channels**, Printice hall of India, New delhi  
Chritopher, Martin, **Logistic and supply chain management**: Pitman Publishing ,New Delhi,2001.  
Cooper, Simon, **Selling: Principles, Practices and Management**, Pitman Publishing ,New Delhi,2001  
Stanton, w. J. (2005) Fundamentals of Marketing, McGraw Hill International.  
Koirala, k D. (20012) Marketing Decisions,m. K. publishers, Kathmandu.

**FAR WESTERN UNIVERSITY**  
**Faculty of Management**

Course Title: **Service Marketing**  
 Course Code: **MKT 342**  
 Nature of course: Theory  
 Year: Fourth  
 Level: BBS

Full Marks: 100  
 Pass Marks: 45  
 Time per period: 1 hr.  
 Total period: 120

Services marketing emerged as a separate field of study in the early 1980s, because of the unique characteristics of services and required different strategies compared with the marketing of physical goods. This course is designed to provide the basic framework to the students for understanding service marketing concept such as understand the service products, marketing mix for service product, understanding the role of employees and customers in service delivery, service environment, service quality, service failure, service recovery etc. The course will help the students to develop and implement sustainable and successful service marketing decisions to capture the opportunities and to face the challenges in the field of services.

**Learning objectives**

General objectives of the course are as follows:

- To develop students’ conceptual and theoretical understanding of service marketing
- To understand the unique challenges involved in marketing and managing services
- To identify differences between marketing in service versus manufacturing organizations and to understand how "service" can be a competitive advantage
- To identify and analyze the various components of the "services marketing mix" (the 7 P's);
- To appreciate the role of employees and customers in service delivery, customer satisfaction, and service recovery;

**Specific objectives and contents**

<ol style="list-style-type: none"> <li>1. Explain the meaning of marketing; and definition and nature and importance of services.</li> <li>2. Understanding the meaning and importance of service marketing.</li> <li>3. Understanding the Evolution , growth and role of service sector.</li> </ol>	<p><b>Unit:1</b>  <b>Understanding service products, customers and markets ( 20)</b></p> <ul style="list-style-type: none"> <li>- Definition and nature of services</li> <li>-Evolution and growth of service sector</li> <li>- Differences between services and goods</li> <li>-Classification of different types of services</li> </ul>
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<ol style="list-style-type: none"> <li>4. Understanding the Services Marketing Management Process.</li> <li>5. Explain differences between services and goods; and types of services.</li> <li>6. Identify the Services opportunities and challenges.</li> </ol>	<ul style="list-style-type: none"> <li>- meaning and importance of service marketing</li> <li>-Services Marketing Management Process -</li> <li>-Contribution of service sector in economy</li> <li>- Major Services opportunities and challenges</li> </ul>
<ol style="list-style-type: none"> <li>1. Understanding meaning and importance of buying behavior in the context of service product.</li> <li>2. Identifying the Customer expectations of services.</li> <li>3. Understanding three stage model of service consumption.</li> </ol>	<p><b>Unit:2</b>  <b>Consumer behavior in the services context (15)</b></p> <ul style="list-style-type: none"> <li>- purchase behavior</li> <li>Customer expectations of services;</li> <li>Buying process for services;</li> <li>- Three stage model of service consumption <ul style="list-style-type: none"> <li>-pre-purchase stage</li> <li>- Service encounter stage</li> <li>-Post encounter stage</li> </ul> </li> </ul>
<ol style="list-style-type: none"> <li>1. Understanding meaning and purpose of service environment.</li> <li>2. Understanding dimensions of service environment.</li> <li>3. Understanding consumer response to service environments.</li> <li>4. Understanding segmentation targeting and positioning in case of services.</li> <li>5. Understanding Service attributes, service levels and Service Blueprinting</li> <li>6. Understanding the elements of positioning strategy(Internal analysis, market analysis and competitor analysis)</li> </ol>	<p><b>Unit:3 (15)</b>  <b>Positioning services in competitive markets</b></p> <p>Service marketing – Environment and trends</p> <ul style="list-style-type: none"> <li>-segmentation, targeting and positioning</li> <li>- Service attributes and levels</li> <li>-Service Blueprinting</li> <li>- developing an effective positioning strategy</li> </ul>
<ol style="list-style-type: none"> <li>1. Understanding marketing mix for services (Product, price , place and Promotion).</li> <li>2. Understanding special mix elements of service (People, Process na Physical evidence).</li> <li>3. Understanding planning and creating new services.</li> <li>4. Understanding concept and importance of branding in the context of service.</li> <li>5. Understanding role of distribution in service marketing.</li> <li>6. Explain the different types of channel members in service marketing.</li> </ol>	<p><b>Unit:4 (30)</b>  <b>Marketing mix elements for services</b></p> <p><b>A-developing service products</b></p> <ul style="list-style-type: none"> <li>-planning and creating service products</li> <li>-Branding service products</li> </ul> <p><b>B-Distribution services</b></p> <ul style="list-style-type: none"> <li>-Distribution in a services context</li> <li>-place and time decision</li> <li>-Different types of channel members</li> </ul> <p>Challenges in distribution of services</p> <p>Role of Internet in distribution of Services</p> <p><b>C- Setting prices for services products</b></p> <ul style="list-style-type: none"> <li>-Importance and strategy for pricing</li> </ul>



<ol style="list-style-type: none"> <li>7. Identifying the Challenges in distribution of services.</li> <li>8. Role of Internet in distribution of Services</li> <li>9. Understanding importance pricing in service marketing.</li> <li>10. Understanding pricing strategies(Cost based pricing, Competition based pricing, Demand based pricing and value- based pricing)</li> <li>11. Understanding meaning and objectives of promotion</li> <li>12. Explain the role of promotion in winning and retention of customer.</li> <li>13. Understanding service marketing communication mix.</li> </ol>	<p>-Pricing strategies</p> <ul style="list-style-type: none"> <li>-<i>Cost based pricing</i></li> <li>-<i>Competition based pricing</i></li> <li>- <i>Demand based pricing</i></li> <li>-<i>Value- based pricing</i></li> </ul> <p><b>D- Promotion for services products</b>  Promotion objective for Services</p> <ul style="list-style-type: none"> <li>-Role of marketing communication</li> <li>-Advertising and sales promotion in services</li> <li>-Service marketing communication mix</li> </ul>
<ol style="list-style-type: none"> <li>1. Explain the role of service personnel to create customer loyalty.</li> <li>2. Understanding meaning and role of front line workers in service organization.</li> <li>3. Understanding relationship between service encounter and customers service experience.</li> <li>4. Explain service leadership and culture</li> <li>5. Understanding designing and managing service process.</li> <li>6. Understanding self service technology and customer satisfaction</li> <li>7. Understanding concept an role of physical evidence in service marketing.</li> </ol>	<p><b>Unit:5</b> <span style="float: right;"><b>20</b></span></p> <p><b>Managing people, process and Physical evidence for service advantage</b></p> <ul style="list-style-type: none"> <li>-Service personnel and customer loyalty</li> <li>- Frontline workers and customers service experiences</li> </ul> <p>Concept of Service encounter</p> <ul style="list-style-type: none"> <li>-Service leadership and culture</li> </ul> <p>-Designing and managing service process</p> <p>Self service technology</p> <ul style="list-style-type: none"> <li>-Nature and meaning of physical evidence of service</li> <li>- Contribution of physical evidence to the service understanding</li> </ul>
<ol style="list-style-type: none"> <li>1. Understanding concept of relationship marketing</li> <li>2. Understanding customer-firm relationship.</li> <li>3. Understanding meaning and concept of customer loyalty.</li> <li>4. Understanding creating loyalty bonds.</li> <li>5. Understanding strategies for customer defections.</li> </ol>	<p><b>Unit:6</b> <span style="float: right;"><b>15</b></span></p> <p><b>Managing Relationship and building loyalty</b></p> <p>Relationship Marketing: Meaning and goals;  Building Customer Relationships</p> <ul style="list-style-type: none"> <li>-meaning of customer loyalty</li> <li>- understanding customer firm relationship</li> </ul> <p>-Strategies for developing loyalty bonds with customers</p> <p>Customer retention strategies.</p>
<ol style="list-style-type: none"> <li>1. Understanding customer complaining behavior.</li> <li>2. Understanding the principles of</li> </ol>	<p><b>Unit:7</b> <span style="float: right;"><b>15</b></span></p> <p><b>Service Recovery</b></p> <ul style="list-style-type: none"> <li>- Complaining behavior</li> </ul>

<p>effective service recovery system.</p> <ol style="list-style-type: none"> <li>3. Learning from customer feedback.</li> <li>4. Understanding Customer protection and ethics in services.</li> </ol>	<p>-Principles of effective service recovery system - Learning from customer feedback Customer protection and ethics in services.</p>
<ol style="list-style-type: none"> <li>1. Understanding the Concept and Importance of service quality in the context of services.</li> <li>2. Learn about the factors which contribute the quality perception of services.</li> <li>3. Understanding techniques of measurement of service(Company defined standard, Costumer defined standard, benchmarking and SERVQUAL model).</li> </ol>	<p><b>Unit:8</b> <b>20</b> <b>Service quality and measurement</b> Concept and Importance of service quality -Identifying and correcting service quality problems -Measuring and improving service quality</p>

**Text Books:**

Christopher Lovelock, Jochen Wrtz and Jayanta Chatterjee, Service Marketing, Pearson ,2011.

Govind Apte, Service marketing, Oxford higher Education, 2011.

**Reference books**

Evans, J. R., & Lindsay, W. M. (1996). The management and control of quality. St. Paul: West Publishing Company.

Heskett, J. L., Sasser, W. E. J., & Schlesinger, L. A. (1997). The service profit chain. New York: Free Press.